THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 25, 1939 | 10c a Copy; $5.00 a Year | No. 47

The Nation's Business

Economy Needed in Government Business

IN HIS budget speech in September, Hon. J. L. Ilsley, acting Minister of Finance, made this statement:

"....the magnitude of the new burdens thrust upon us makes it imperative that we should do everything that is practicable to conserve our resources and to economize on any expenditures which are not urgently needed in the national interest."

This was a clear, forthright dictum of Government policy on the "home front." Though it was qualified by a warning that the Government would avoid aggravating unemployment in the early stages of the war by a "penny wise, pound foolish" curtailment of expenditures, it clearly represented the goal which the Government has set for itself.

Yet analysis of treasury figures for October gives little clue of any serious economy campaign at Ottawa. True, total expenditures (exclusive of war and defense costs) are lower by $2.2 millions than in the same month last year. But this reduction is more than accounted for by a drop of nearly $2.6 millions in interest charges.

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LOOKING down the various items of expenditure there are two score departments or branches of government that cost taxpayers more money to operate in October, 1939, than in the same month a year ago. Several of these, for example, Public Printing and Stationery, Mounted Police, the National Research Council, and the Privy Council might reasonably be expected to have been more active and costly due to the pressure of war work. Most of the remainder—fisheries, chief electoral officer, pensions and national health, justice, insurance, etc.—are departments where an immediate and concerted effort toward economy would seem reasonable.

One of the largest increases is a gain of $1.3 million in amount expended on relief works. This more than matches the drop of less than $1 million in relief grants-in-aid to provinces.

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IN CANADA'S first wartime budget, little attempt was made to fit our huge and costly peacetime programme of government to the needs of war. The increased outlay for war exigencies was merely superimposed on an already lopsided peacetime budget.

Canadians will gladly do their part in meeting by increased taxation and in other ways, the financial cost of the war. In October the actual amount expended at Ottawa was $9.3 millions compared with $2.8 millions spent by the Department of National Defense in the same month a year ago.

But equality of sacrifice demands that every department of Government do its bit toward finding the money to meet war bills. So far there is little evidence that this has happened.

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The Gloomy Prospect of Wheat Losses

TREASURY officials at Ottawa may well regard with misgivings the demands which the wheat legislation of last spring will make upon the taxpayers.

To begin with, the Dominion paid the farmers 80 cents per bushel on the 1938 crop, of which 90 million bushels were still in our elevators last August 1 and of which 40 million bushels remain unsold today. This means that to the estimated loss of $48 millions, the rough-and-ready figure used by Hon. J. G. Gardiner in the House of Commons last February, must be added other important items which may raise the amount by 50 per cent.

Mr. Gardiner's estimate of $48 millions was a superficial one. He was estimating the out-of-pocket loss to the Treasury on the payment of 80 cents per bushel to farmers His loss represented the difference between what the Government paid the farmer and what the wheat was sold for, or would sell for. His estimate ignored carrying charges and the cost of operating the wheat board.

In the light of what has happened, and allowing for storage charges and operating expenses, it would be truer to say that the 1938 crop is costing the Treasury about $70,000,000.

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NOW LET us look at this year's crop picture.

The initial payment authorized on the 473 million bushel crop is 70 cents. The statute provided that no farmer was to get the 70 cents on more than 5,000 bushels of wheat. But for reasons not yet made public, the Government or the Wheat Board drafted regulations covering this payment in such a way as virtually to invite evasion and to nullify the limitation.

In consequence, the 70 cents may be taken as an initial payment on the whole crop, less some 50 million bushels required for seed next spring.

The Government, in addition, will pay storage charges on this wheat until it is sold or leaves the country.

It is difficult to calculate this loss, owing to the war, but that it will be heavy, is beyond dispute.

Last year Canada exported some 165 million bushels of wheat. Right now there is the 90 million bushel carryover from 1938, plus the new

(Continued on page 2, col. 4)

New Ruling Opens Saint John To U. S. Coastal Shipping

From Our Own Correspondent

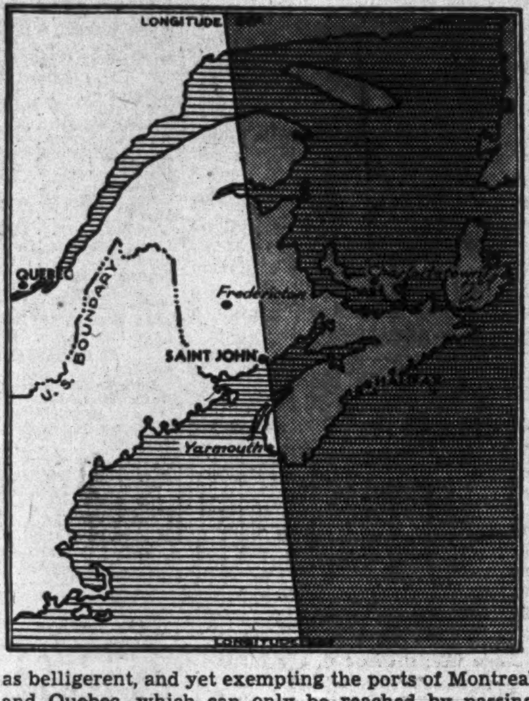
OTTAWA.—Whether by design or by accident the revised regulations for United States shipping under the new neutrality act will be of great assistance to Canada in exporting to countries outside of the so-called belligerent areas.

The original regulations forbade United States ships to use Atlantic ports outside of the United States and north of latitude 35, which put all of Canada's ports out of the reach of these ships. These regulations, however, have now been revised and in a very significant way.

Washington now rules that United States ships may proceed to any foreign ports on the Atlantic which are west of longitude 66. This line cuts off almost all of Nova Scotia except the southwesterly tip and the port of Yarmouth. It cuts off all the Gulf of St. Lawrence ports, the outward reaches of the north shore and Newfoundland ports.

But it leaves Saint John open to United States ships and, still more important, the St. Lawrence ports of Montreal and Quebec. All three are west of 66 and therefore can be used by American shipping upon the condition that no cargoes are carried to ports in belligerent or combat areas. Such areas, of course, include the British Isles, the North Sea and the Baltic, and the coasts of France and of French and British possessions in the Mediterranean.

It is thought here to be rather odd that under the revised regulations Canada's great winter port for ordinary commerce (Halifax is predominantly a port of war), Saint John, and the St. Lawrence ports should be freed from all disabilities. The illogicality of regarding the gulf coast and nearly all of Nova Scotia as belligerent, and yet exempting the ports of Montreal and Quebec, which can only be reached by passing through these waters, will not be mentioned by Ottawa. Official opinion here welcomes the revised regulations as a calculated indiscretion to help this country.



Highlights

Canada's chemical industry will play a vital role in the present war, in both military and civil spheres. Its tremendous development since industrial chemistry flowered during the last war is analyzed in a feature survey.

War and Chemicals—p. 11.

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The 120 investors and market analysts who competed in The Post's wartime investment contest, showed definite preferences for particular stocks and industrial groups. Those most repeatedly favored in contest entries are revealed in a special analysis. This issue also publishes the entry awarded second prize, and some criticisms of the winning entry published last week.

Canada's Favorite Stock—p. 11.
Peace Hedges During War—p. 9.

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Base metals outlook in Canada is characterized chiefly by indications of long-term stability, it is shown by a survey of the industry and its chief operators.

Stability in Base Metals—p. 19.

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Effect of war on development of a Canadian production centre of Bata Shoe Co., famous Czech enterprise, is reported by a staff writer who made a trip to the plant near Trenton, Ont.

War Slows Pace—p. 20.

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Canada at War

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Ask Exporters to Bill In Foreign Currencies

Foreign Exchange Control Board Revives Regulation

CONDITIONS EASIER

The Foreign Exchange Control Board is again asking Canadian exporters to bill their shipments to countries outside the British Empire, either in the currency of the country taking the goods or in United States funds. As the regulations require that all foreign exchange arising from Canadian exports be made available to the Board, it is hoped thus to put the greatest possible amount of foreign exchange under the control of the Board for use in the national interest. It is also believed that this course will lessen the trading in Canadian currency on the unofficial or black market in the United States where Canadian dollars have been selling at rates considerably under those quoted by the Foreign Exchange Control Board.

Previous Protest

The regulation requiring Canadian exporters to bill their shipments in foreign currencies was the subject of strong protest a short time ago. Firms doing business abroad argued that as all their expenditures for raw materials and wages were made in Canadian currency it was advantageous for them to quote their selling prices the same way so that they would know definitely just how much they were getting. If they billed in foreign currencies, which might fluctuate materially in terms of Canadian dollars, they were in the position of gambling on exchange with just as great possibilities of loss as profit. This uncertainty was undesirable to concerns doing a regular export business and not wanting to speculate.

But the Exchange Control Board, while sympathetic to the views expressed, stated that, "Canada can only purchase from foreign countries, goods, commodities and war materials by supplying cash in various foreign markets." Point is given to its argument by the existence of the unofficial or black market in Canadian exchange.

Naturally a foreign importer having a bill to pay in Canadian dollars goes where he can buy them cheapest. That is to the black market. He then pays these dollars to the Canadian exporter and board loses the foreign exchange which it would have got had the debt been paid in the foreign currency.

The supply of the Canadian exchange available on this black market depends on a number of factors among which are Canadian funds in the possession of non-residents who are willing to exchange them for U.S. currency at bargain rates. It is also possible that non-residents with credits on this side may even be willing to sell them for what they can get. That is another angle of exchange control.

The application of the export regulation, however, is made much easier by the readiness of the board to permit payment in United States dollars as well as the currency of the importing country. United States dollars like sterling are known the world over and an official of the board has stated that payment in them will satisfy the authorities.

Massey Arrears Talk Premature

Massey-Harris Co. has no plan for immediate presentation to shareholders with regard to settling arrears of dividends on its preferred stock, The Financial Post is told by well-informed sources. It would not be true to state that no consideration has been given to schemes for settling these arrears but anything at this time is, to say the least, premature.

No dividends have been paid on the 5% preferred since 1930 and arrears were $45 a share as at Nov. 15, 1939. For the last couple of years earnings have covered the $5 dividend by a fair margin.

Dom. Textile Sales Speed Plant Tempo

Business and Output This Year Record Sharp Advance

BOOST IN REVENUES

From Our Own Correspondent

MONTREAL.—Conditions in the cotton textile industry have undergone a marked change for the better and prospects at this time are that Dominion Textile Co., leading unit in the field, will report a substantial advance in sales volume and earnings for the fiscal year ended next March 31. In fact the business already handled and on the books assures better returns than a year ago.

It is too early to determine the extent of the increase for the full year, but it can be said that the company's present situation is comparable to that in the spring of 1937.

All plants are in operation. The ratio of output to theoretical capacity is in the neighborhood of 85%. This is by far the best showing reported in over two years. Two shifts are being operated, both on a 50-hour week. In addition some plants are operating on a two-shift daily basis, from 7 in the morning to 11 at night, the single shift amounting to 7½ hours. Overtime also is common in more than one plant.

Reflecting this condition the company recently put into effect a wage increase, adding nearly $1 million to the company's annual wage bill. With the increase and the longer working period, the earning power of the worker has undergone a considerable improvement. Along these lines real wages reflecting the relation between wages and living costs are at the highest figure yet attained since the company began manufacturing.

Big British Order

Improvement in the position of Dominion Textile and other operators in the cotton textile field is due to a variety of causes. The company has been working on substantial orders from England. These call for delivery of special types of cotton products, which the English mills are not in a position to meet as fast as demanded. In this connection Dominion Textile is booked up to next May on "ducks."

While the British business is a consideration, still the better showing is due more directly to domestic demand which, in turn, has been affected by the situation in England and the United States.

Lifting of Competition

Normally these two countries are stiff competitors for the Canadian trade. At this time the English mills have all the business they can handle as a result of wartime conditions and are not interested in this market. The American mills, likewise, have their own little "boom" and cotton textile prices there are higher than in Canada so that there is no incentive to ship into the Canadian market.

This set of conditions has left the Canadian market almost entirely to Canadian operators. Of course some imports are coming in, but the volume is below normal. The net result is that the Canadian mills, especially those of Dominion Textile, have been rushed to meet the demand.

Good Domestic Demand

The buying in Canada has been good in all sections. The improvement in the West has been marked. Good crops and an increase in spending power has brought out a great deal of deferred buying. Consequently Dominion Textile and other companies have been inundated with orders.

There has been some deferred buying in the East, but not to the

(Continued on page 2, col. 7)

Bulk of Air Scheme Outlay To be Provided by Canada

From Our Own Correspondent

OTTAWA.—Back of the Empire air training agreement, the details of which are in process of announcement, are three vital points:

1. There is to be no pell-mell rush to launch a larger scheme than can now be handled. The scheme, at the outset, will be modest but will be expanded as rapidly as possible later on.

2. Whatever the actual terms of the agreement may be, the bulk of the expenditure will fall upon Canada.

3. It will be thoroughly understood by Britain that Canada will concentrate upon air training and will make her great contribution to the victory of the Allies in this way. Little more is likely to be heard of other branches of war service in Canada.

Aid From Britain

On the financial side, the agreement is expected to provide for liberal assistance from Great Britain in providing the capital equipment to launch the scheme. Canada will provide the airfields and much of the ground equipment such as hangars and barracks. Britain will assist with training machines and mechanical equipment.

But this capital investment, which will be very large, will be written off against the men trained. Each associated nation will pay for the cost of training each man it sends and in this way all the capital charges may eventually be liquidated. If the capital investment is to be written off, say, in three years and the war ends before the expiration of this period, all the associated governments will accept a share of the balance of unpaid capital. Canada will not be left holding the bag.

On the other hand, it is expected that the majority, and the great majority, of the men to be trained will be Canadians and, therefore, Canada ultimately will have to pay not only the greater part of the capital invested but the operating costs as well. These costs will increase rapidly as the scheme develops and it is generally understood that Canada will not be expected to make any great war-effort in other directions.

Use of Air Fields

At the outset, only the surplus airfield capacity of the country will be used. This amounts to some 40 fields, as follows:

Emergency landing fields of the Trans-Canada Air Lines.

Trans-Canada air fields in the smaller cities which are not now being used to capacity.

Municipal air fields and the fields belonging to private aviation companies which are not now being fully used.

With respect to Trans-Canada, this means that all of their air fields with the exception of those at Vancouver, Lethbridge, Winnipeg, Toronto and Montreal will be wholly or in part available for the training scheme.

Some of the fields, including municipal and privately owned fields, are already partially equipped with hangars and some are located in cities where barrack accommodation can easily be obtained. But most of them are emergency landing fields where hangars and barracks will have to be constructed. This work will begin as quickly as possible.

Start Soon

At the outset, therefore, the scheme will be confined to the fields where the ground equipment is now available. Training can begin here, as soon as the planes can be obtained. Meanwhile, the fields which now lack ground equipment will be taken in hand. As rapidly as hangars, barracks and planes can be provided, these will be incorporated into the scheme—bringing the total number of fields to about 40.

The Government, however, is looking far beyond this total. Reconnaissance parties are at work in every province, but particularly in the Prairie Provinces, locating suitable sites for air fields. These parties, for the most part, comprise Provincial Government surveyors. As rapidly as the sites are approved, the work of levelling the ground and building barracks and hangars will begin.

This phase of expansion will scarcely be reached before next summer, but a year hence there will be close to 100 training centres operating full blast and the scheme will have attained the proportions forecast in the early announcements. Thereafter between 20,000 and 25,000 men will be turned out annually.

No estimates on cost are available, but the outlay will be so great that the prevailing view here is that the full financial power of this country will be required to carry the scheme through.

Brantford Cord. Earnings Gain

Sales Volume Good But Low Prices Hurt — Cash Higher

Earnings of Brantford Cordage Co. showed some improvement in the year ended Aug. 31, 1939, net profit being $8,890 as compared with a loss of $8,146 for the preceding year. Regular quarterly dividends were paid on the first preference and 237 first preference shares redeemed, reducing outstanding stock to 38,209 first preference, 24,000 second preference and 80,000 common.

W. M. Messecar, president, states that: "Volume of business for the year was satisfactory, but prices which were already very low, further declined, there being only two other years during the past quarter of a century when prices of binder twine have been so low, and this accounts for the very small profit shown." The late western harvest resulted in heavy sales after the close of the company's year with a reduction in inventories. Along with satisfactory collections, this resulted in cash rising to $1 million at the end of October as compared with $572,061 at Aug. 31.

Plan To Enlarge War Supply Bd.

From Our Own Correspondent

OTTAWA.—Enlargement of the War Supply Board from three to five members is expected within a fortnight. Wallace Campbell, the chairman, is now assisted by R. C. Vaughan, the deputy chairman, and C. E. Gravel, representing Quebec. It is proposed to appoint one member of the board to represent the four western provinces and another to represent the Maritimes.

Four candidates for the western appointment have already been nominated, one each by the business communities of the four provinces. The Government is expected to choose one of the four that have been recommended.

Those West Coast Contracts

Defense Department Replies — Double and Triple Shift Machinery Rentals Were Questioned—But They Were Paid

On October 28 The Financial Post published an article setting forth certain facts concerning construction contracts on west coast defenses let by the Department of National Defense during the régime of Hon. Ian Mackenzie.

The Department of National Defense has now issued a statement in reply to The Financial Post article.

By authority of Hon. Norman McL. Rogers, the minister, the statement was prepared by a spokesman for the Department of National Defense after a series of questions, based on the article, had been put to the minister in writing by Maclean's Magazine. The statement appears in the current issue of Maclean's.

The document brings out these points:

The statements of fact in The Post's article were "substantially correct."

Double-shift and triple-shift rentals have, in some cases, been paid for machinery used on West Coast defense contracts.

Payment of rentals on this most unusual basis was questioned by officers of Military District No. 11, by the Auditor-General and by the Chairman of the Defense Purchasing Board.

The question of whether this basis of rental payment for machinery will be used in subsequent contracts is now under review at Ottawa.

The Financial Post said there were at least five cost-plus contracts. The department states there were in reality eight cost-plus contracts.

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In reprinting The Financial Post's article, Maclean's submitted to the department, through the minister, a series of questions based upon the article. With great courtesy and frankness the Minister, Mr. Rogers, answered the questions not only orally but in a written statement prepared by an official.

The questions and answers are published in full at the end of this article and readers of The Financial Post are urged to read them in full. They will be found very informative, although the Department has taken the trouble to defend itself on a number of points that had not been raised in The Post article at all.

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It will be recalled that The Post's article brought out these points among others:

1. Three companies hold, or have held during the past three years, at least 16 defense department Pacific coast construction contracts to a value of approximately $2 millions.

2. At least five of the contracts held by these three companies were awarded on a cost-plus basis without competition of any kind. The value of these cost-plus contracts exceeds $1 million.

3. Machinery rentals could be charged within the terms of certain of these contracts at a rate which would pay for the machinery outright within five or six months.

4. Central figure in one of the companies holding certain of these cost-plus contracts is Brigadier W. W. Foster, chief of police of Vancouver, president of the Canadian Legion, and recently appointed director of auxiliary services under the defense department.

5. A central figure in another of the companies was the late General J. W. Stewart, a former close personal friend of Hon. Ian Mackenzie.

Information was also given concerning the identity of the three firms holding the contracts (Northern Construction Co. and J. W. Stewart, Ltd.; E. J. Ryan Contracting Co.; and Pacific Engineers, Ltd.).

This, in brief, was the material presented by The Post.

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What does the Department's reply indicate?

In the first place it is admitted that "the statements of fact" in The Post's article "are substantially correct." The Department charges, though, that many of the facts have been incompletely stated or omitted "apparently with the deliberate intention of giving a misleading interpretation."

This is a curious charge since the Department's statement adds no facts that in any way alter the significance of the information published by The Financial Post. The Department speaks of "impressions conveyed" by the article in The Post and while talking about "misleading interpretation" reads into The Post's article statements that were never made in it. However, the Department's comment appears in full below and readers have full opportunity to study it for themselves.

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A most important feature in the Government's reply is the admission that double and triple shift rentals were actually paid for certain machinery and equipment used on these western defense contracts.

The article brought out the fact that by the terms of certain of the contracts the rental "day" for machinery used by the contractor on the job was defined as eight hours. On this basis, if rentals were charged for two shifts a day, the payment would be twice the "daily" rate; if for three shifts, three times the "daily rate."

> "This is an extraordinary provision," said The Post article. "Since rental is being paid in lieu of depreciation, it would be reasonable that there should be some allowance for greater use involved in double or triple shift operation. But no such rate as would be arrived at on the basis of this provision would be countenanced in a non-governmental operation. The most that would be allowed under the practice approved by the Associated General Contractors of America would be an increase over the basic rental of 4% an hour for each additional hour."
>
> (Prevailing practice varies but a usual arrangement is that when machinery is used for more than a single shift, the daily rental rate increases by 50% when two shifts are worked and by 75% when three shifts are worked.)

The department's statement admits that rentals on the unusual basis provided for were actually paid. Equipment was used for two or three shifts on certain occasions and rentals were actually paid at twice and three times the "daily" rental rate specified.

It is also pointed out that payments for such rentals were held up by officers of Military District 2 until a ruling was obtained from the minister. In an oral statement, the Department advises that payments were questioned also by the auditor-general. But the payments were actually made.

The department's statement adds this significant piece of information:

> **"The question as to whether this basis can be used on subsequent contracts has, however, been raised by the Chairman of the (then) Defense Purchasing Board. No decision on this matter has yet been handed down."**

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There are other points in the Department's statement.

For instance, The Post's article dealt with 16 contracts. The Department takes pains to say there were 42 contracts on Pacific

(Continued on page 3, col. 1)

United Corp. Position Records Improvement

From Our Own Correspondent

MONTREAL.—United Corp.'s portfolio has showed a moderate gain in value this year, while income is sufficient to cover dividends on the class A stock. At the end of last year the company reported investment of a book value of $7.3 millions and a market value of $8.9 millions. Earnings on the class A stock were equivalent to $2.55 a share, as against dividend payments of $1.50.

Asbestos Corp. Increases Size of Bonus Payment

From Our Own Correspondent

MONTREAL. — Asbestos Corp., while still maintaining its regular dividend, has increased the size of the bonus. The company has declared the regular quarterly payment of 15 cents a share for the quarter ending Dec. 31, plus a bonus of 35 cents, both payable Dec. 31 to holders of record Dec. 15. In the last two quarters the company has paid a bonus of 15 cents a share.

C.P.R.'s Profit To Show Gain For This Year

Satisfactory Showing Is Expected from Current Year's Operations

RAIL INCOME UP

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway expects a satisfactory showing in the current year, though earnings may not be as high as expected two months ago.

Net profit will be above the 1938 level when almost 1% was earned on the 4% non-cumulative preference stock. In fact, earnings this year should be more than equivalent to 4% on the preference stock.

It is impossible to say at present whether earnings will equal the 1937 level when 30 cents a share was earned on the ordinary stock. Net from rail operations will be at the highest level in a number of years, but the increase over last year will be offset in part by a decline in "other income."

Rail revenues in the nine months ended Sept. 30 netted $12.7 millions, an increase of $5.4 millions over the same period last year. Traffic in October was down somewhat and in the present month shows a moderate increase. Thus, the gain recorded to the end of September should at least be maintained.

The extent to which the company will be able to show earnings on its ordinary stock this year is entirely dependent upon income from such sources as telegraphs, hotels, steamships and investments.

Income from these sources cannot be forecast with any degree of accuracy, though it is expected to be somewhat lower than last year. Hotel business has not been as good and income from Consolidated Mining and Smelting will be lower. Assuming the latter company pays $2 a share as compared with $2.50 a share in 1938 there will be a loss of income to the C. P. R. of over $840,000.

Results of steamship operations are an uncertain factor, especially in view of the outbreak of war. Part of the C.P.R.'s fleet has been taken over by the British Admiralty and the compensation or rental has not yet been fixed. Furthermore, steamship passenger receipts will be smaller and the Empress of Britain has been tied up since the outbreak of war.

Ready to Aid War Efforts

Imperial Bank in Good Position To Do Part

Betterment in business conditions in Canada in 1939 was stressed by A. E. Phipps, president of the Imperial Bank of Canada, at the annual meeting in Toronto this week. Mr. Phipps stated that the improvement was unmistakable during the first eight months, but the outbreak of war had served to speed up the process.

The preparedness of the bank to do its part in Canada's war effort was noted by H. T. Jaffray, general manager. After reviewing the assets of the bank, he said:

> "I think you will agree that your bank is in a liquid condition which will enable it to meet the requirements of its customers, do its part in any call that may be made upon it in furthering the war, and handle such new business as will come its way."

Increased activity in various lines of business following the declaration of war as well as the larger crop harvested in western Canada were reflected, he said, in the increase in current loans which moved up to $64 millions from $58.2 millions a year ago.

Twenty of the staff who had enlisted in the active service forces had been given indefinite leave of absence, positions being assured them on their return.

Canada Bread Clears Arrears on Class B

By payment of 37½ cents a share on its class B stock, Canada Bread Co. will clear up all arrears on this class of stock.

The company has declared the 37½ cents dividend on account of arrears on the class B stock, payable along with the regular quarterly dividend of 62½ cents a share on January 2, to shareholders of record December 15.

Regular dividend of $1.25 a share will be paid on the first preference stock on the same date.

Coming In The Post

Next week The Financial Post begins publication of the entries to which honorable mention awards were given in its recent contest. In addition there will be further results of the analyses of the portfolios submitted with the opinions and recommendations regarding bonds featured.

The Dec. 2 issue will also feature winter travel.

The new Excess Profits Tax is still a matter of speculation among investors. The Post is preparing an analysis of how this tax may affect a large group of companies.

FINE APPAREL FOR MEN

New for Evening!

CHRISTYS' "LORD'S" HAT

Club men will welcome this addition to their wardrobe! Worn with distinction by the gentleman in dinner jacket to all semi-formal occasions. Brim worn either up or down. In black only.

7.50

Free Parking While Shopping.

MEN'S SHOP

EATON'S - COLLEGE STREET

Foreign Exchange

During the week Nov. 14 to Nov. 20 there was no change in the quotation of the United States dollar at Toronto and Montreal, which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Nov. 20

Australia	3.58	Italy	.0560½
Belgium	.1828¾	N. Zealand	3.61
Denmark	.2150	Norway	.2524
France	.0247⅜	S. Africa	4.47
Holland	.5896⅞	Sweden	.2646¼
Hungary	.1953⅜	Hong Kong	.2733
India	.3365		

Municipal Bonds

Nov. 21, 1939

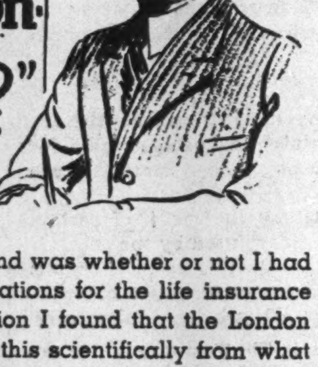
†Halifax	5	1961	110.00	112.00	4.16
Hamilton	5	1950	110.15	112.15	3.60
Montreal	5	1945	99.00	101.00	4.78
Ottawa	4½	1945	106.20	108.20	2.90
†Quebec	5	1959	105.00	107.00	4.46
Saint John	5	1950	106.00	108.00	4.09
†Toronto	4½	1955	112.50	114.50	3.30
†Vancouver	5	1950	98.00	102.00	4.75
Winnipeg	5	1944	101.00	104.00	3.98

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Affiliated Fund	3.75	4.10
Can. Inv. Fund	4.05	4.45
Can. Amer. Trust	3.70	4.20
All Can. Trustee	12.50	13.33
Grouped Income	....	6.10
Trans-Canada Shs.	12.90	14.00

They answered my question "Am I the type?"



"THE big thing in my mind was whether or not I had the necessary qualifications for the life insurance business. To my gratification I found that the London Life was able to determine this scientifically from what is known as an Aptitude Index.

"It was for their protection as well as mine. I never would have made the jump except for this assurance. And now I'm on the road to a real success in the business."

If you are interested in knowing whether you are the type the London Life is willing to spend time and money to train, use the form below or get in touch with the District Manager of one of our Ordinary Branch offices.

CLIP AND MAIL

J. G. Stephenson,
Director of Agencies,
London Life Insurance Company,
London, Ontario.

I would be interested in filling out one of your Aptitude Index forms, and to get your rating of me from a Life Insurance sales angle. I understand you are prepared to do this for me without any obligation on my part.

Name ....

Address ....

The London Life Insurance Company

HEAD O. FICE — LONDON, CANADA

New Capital is Needed To Protect Hotel Equity

Mortgage Holder Presses for Mount Royal Refinancing

PLAN IS RELEASED

From Our Own Correspondent

MONTREAL.—Directors of Mount Royal Hotel Co., the financial affairs of which have been complicated for some time past, have put forward a plan of reorganization. It is designed to prevent foreclosure by getting new money into the enterprise.

At present the company has outstanding a 5½% first mortgage, held by the Metropolitan Life Insurance Co., on which installments due in the last three years remain unpaid, while interest is also in arrears.

The stockholders' interest centres around $6,817,900 of 6% cumulative preferred and $7,800 of the old company's stock still outstanding as well as 60,000 shares of comman. No dividends have been paid on the preferred for many years; arrears amounting to $3,583,492. In addition Mount Royal Hotel has issued $1,706,425 of scrip dividend certificates which are payable only out of surplus earnings.

On Nov. 9 last the Metropolitan wrote the company to say unless a meeting of stockholders was held by Nov. 20 to consider a plan of reorganization, the insurance company would have to commence foreclosure proceedings. The deadline later was extended to Nov. 30.

Provisions of Plan

A plan of reorganization, dated Nov. 10, will be submitted to the stockholders in Montreal on Nov. 30. It makes provision for the following:

The present company will continue in existence as a holding company. It may be wound up later.

A new company will be formed with an authorized common stock issue of 175,000 shares of which 151,320 will be issued.

Block of 100,000 shares of the new company will be turned over to the present company.

Reduce Fixed Charges

Interest on the first mortgage bonds will be reduced to 3% per annum on a fixed basis for the period from Dec. 1, 1938, to Dec. 1, 1939, and thereafter to a rate of 4%. While the fixed charge amounts to 3%, the balance of 1%, payable out of income, remains a cumulative charge in event of non-payment in any one year.

A sinking fund of $120,000 will be set up on the first mortgage. This sum will be appropriated after payment of interest on the first mortgage and general mortgage bonds.

In addition the company will set aside an additional sinking fund of 50% of net earnings to be applied in proportion to the first mortgage and general mortgage, after interest and regular sinking fund charges have been met.

Further the new company will create and issue $250,000 of collateral bonds to the Metropolitan Life in settlement of claims. No interest will be paid on these bonds, but they will mature at the same time as the first mortgage.

Raise New Capital

New capital will be raised through the sale of $263,200 of general mortgage bonds.

These bonds will be offered to shareholders of the present Mount Royal Hotel Co. in blocks of $100 par value of bonds and 10 shares of new common stocks at $95 per unit.

A. L. Caron, president of Mount Royal Hotel, will underwrite the general mortgage bond issue, in return for which he will receive 25,000 shares of new common stock.

The money thus raised—$250,000—will be used largely to pay interest on the first mortgage, tax arrears, bank overdraft, etc.

Create Voting Trust

All of the new company's stock will be set up in a voting trust under the control of A. O. Dawson, D. H. McDougall and A. L. Caron. This is a self-perpetuating trusteeship. Control is to rest with the trustees until general mortgage bonds mature in 1947, or as long as any are outstanding.

In addition there will be an advisory committee comprising A. O. Dawson, Rene Morin, D. H. McDougall and E. G. Smith, all of Montreal. Mr. Dawson, who is president of Canadian Cottons Ltd., will be the first chairman of this committee and John E. L. Duquet will be the first secretary.

Will Select Directors

The new company will be administered by a board of nine directors to be selected by the voting trustees.

Under the set-up the new company will have a capital comprising $3,560,000 first mortgage loans; $250,000 of non-interest bearing collateral bands; $263,200 of 4% general mortgage bonds and 151,320 no par value common shares

Hotel Earnings

Average net earnings of the hotel in the past seven years amounted to $86,110 per annum. This is considerably less than required to pay interest on the first mortgage loan under the new arrangement. It is said that further economies and the lessening of capital expenditures should boost revenue to a point where fixed charges can be taken care of comfortably

Under the plan the new company will have to earn something like $300,000 to cover charges ranking prior to dividends on the capital stock The "leverage" in the hotel business is said to be great under the right conditions.

Answer to Committee

Coincidental with release of the reorganization plan, the directors issued a statement defending their stewardship against the criticism of the shareholders' general protective committee under the chairmanship of A. Stewart McNichol.

Defense of Position

In a memorandum to the shareholders, signed by M. A. Thomson, director and secretary, the actions of the present board are defended.

The decline in earnings has been attributed to:

1. Prolonged business depression resulting in restricted spending power and falling off in patronage.
2. Repeal of prohibition in the United States.
3. Rapid growth of cheaper hotels, tourist homes and tourist cabins.
4. Poor condition of roads in Quebec, which has discouraged travelling.
5. General increases in taxes.
6. Increased wages.

Steps taken to meet these conditions are set out by Mr. Thomson. He mentions various economies put into force, the attracting of new business, inauguration of the Piccadilly Club, savings in taxes, etc.

Link With Competitor

In regard to the association with the Windsor Hotel, it is said that this policy has been in effect for several years and has "undoubtedly worked to the advantage of both hotels." It has enabled them to maintain reasonable rates, standardize service and to secure better prices on supplies by combining the volume of purchases, although each hotel has placed its orders separately in the ordinary way.

The reason for investment in Windsor Hotel is given by the directors as a move on their part to prevent control of that company getting into hands of interests unfriendly to the Mount Royal Hotel Co. To that end a subsidiary company was formed to buy Windsor Hotel stock, a policy which was carried out between April 14, 1932, and Nov. 4, 1937.

McColl Extends Toronto Refinery

Extension of existing refinery on the Toronto waterfront by construction of an additional cracking plant unit of modern design, at estimated cost of $300,000, has been launched by McColl Frontenac Oil Co. Completion of the project is expected to double the output of the present refinery.

Western Canada Production Up

Western Canada Flour Mills Co. has appointed Frank G. Lawson, former president of the Toronto Stock Exchange, and I. C. Hall, president of Globe Envelopes Ltd., Toronto, to the board of directors. The new directors were nominated by preferred shareholders.

J. J. Page, general manager, told shareholders at the annual meeting that flour production during the first three months of the current fiscal year, which began Aug. 1, was approximately 40% higher than in the corresponding period of the previous year. Outlook for the balance of the year is for higher production than in the preceding year.

The Nation's Business

(Continued from page 1)

crop of 478 million bushels—568 million bushels in all. Deduct 118 million bushels for seed and domestic requirements and there remain 450 million bushels to be exported.

The most optimistic hopes of our wheat experts will be exceeded if we export one half of this total. Therefore a minimum of 225 million bushels will have to be carried for a full year involving an outlay, in storage charges alone, of $20,000,000.

• • •

AND TO cap all, there will be substantial payments by Ottawa under the Prairie Farm Relief Act.

It is remarkable that relief should be paid in a year when the West has harvested the second largest crop on record, but, nevertheless, these payments will be substantial.

Reports from Ottawa place them in excess of $10 millions.

Farmers will receive 60% of their relief payment (there is a limit of $250 per farmer) in December and the balance in March.

• • •

IN SHORT, there is perhaps $100 millions of wheat moneys to be paid for out of taxpayers' pockets—exclusive of the prospective loss on this year's bumper harvest.

Just what the final total will be, no one can estimate. Even the terrifying prospect of what might have been involved if war had not intervened does not greatly lessen the discouragement of the current outlook.

This is especially true when it is remembered that no allowance whatever was made for wheat losses by Hon. Charles Dunning in his 1939-40 budget. All that has been allowed for in this or the previous year is a reserve of $25 millions against the 80-cent price guarantee in 1938. We have already seen that this is probably too low by about $45 millions.

Not only was no further allowance made in the 1939 budget for wheat losses but the Government balance sheet was unbalanced by $60 millions without these additional loss items.

How representatives of the wheat pools can continue to urge Ottawa to pay $1.15 for this year's crop, in the face of this situation is baffling beyond comprehension.

• • •

Sound Reasons For Short-wave Station

COMMENDING the move to create national short-wave station as part of Canada's war effort, the Winnipeg Free Press puts forward several excellent reasons why this should be undertaken at once. Summarized these reasons are:

1. National short-wave transmission should be regarded as an extension of our diplomatic and trade commissioner service. It would be exceedingly useful in making Canada known to the world.

2. We should be telling the world at this time why a North-American nation like ourselves is at war; let it be known that we are determined to give all possible assistance to the Allies; describe the various ways we are doing this.

3. Stand ready to replace British or French short-wave stations if anything happened to them as a result of aerial warfare.

4. Keep the United States better informed about this country and its war effort.

5. Make use of it in extending our trade to South America where we have an excellent opportunity to capture trade formerly held by Europe, and where we have presently no Canadian minister to represent us.

The Free Press concludes that such an expenditure at this time is not only justifiable but would be a good national investment. Compared with the amounts this country is preparing to spend in destructive weapons of war, the cost of such a station would be small. It would give us a national asset of great importance in peace as in war.

Repeatedly governors and officials of the Canadian Broadcasting Corporation have urged this project. What remains is cabinet action led by Hon. C. D. Howe, the minister responsible for this expenditure.

• • •

Wartime Regulation Discussed by Imperial Bank

TRIBUTE to the manner in which the Bank of Canada and its wartime offspring, the Foreign Exchange Control Board, are facilitating Canada's war effort with the "minimum of inconvenience" was paid this week by A. E. Phipps, president of the Imperial Bank, at the annual meeting of that institution.

Said Mr. Phipps:

"It is to the credit of the Bank of Canada that regulations were so promptly defined and put into operation. The Foreign Exchange Control Board is functioning smoothly with a minimum of inconvenience to those having business abroad and appears to have accomplished its objective in curtailing exports of capital to an absolute minimum and then only for absolutely necessary purposes."

Coupled with this, H. J. Jaffray, general manager, threw out an appropriate warning lest wartime regimentation be carried beyond the necessities of the war period.

He expressed the hope that "when their necessity has passed, our governments will not forget that within the limitations of the law it is the inherent right of every individual to manage his own affairs."

Group of Experts Handling Defense Realty Business

From Our Own Correspondent

OTTAWA. — Lieut.-Col. Goodwin Gibson of the real estate firm of Gibson Bros., Toronto, has been appointed real estate adviser to the department of national defense. He has mobilized a representative group of real estate men in various cities to be associated with him in the work of assisting the department in realty transactions. All members of the group are serving without remuneration on a dollar-a-year basis.

For the time being Col. Gibson and his associates are advising and assisting the department exclusively in regard to the leasing of properties needed for barracks, storage, hospitals, training, and other purposes of various military units. So far no plans have been made or policy decided in regard to possible handling of real estate purchases through the group for the defense department, though apparently it would be available if its services were required in this connection.

Assisting Col. Gibson in the work are:

Frank McLaughlin, manager, real estate department, Chartered Trust & Executor Co., Toronto.

W. H. Bosley, of W. H. Bosley & Co., Toronto.

Fred Hotrum, assistant manager, real estate department, National Trust Co., Toronto.

S. E. Lyons, S. E. Lyons Ltd., Toronto.

Percy Jolliffe, Toronto General Trusts Corp.

George Garton, of Garton and Hutchinson, Toronto.

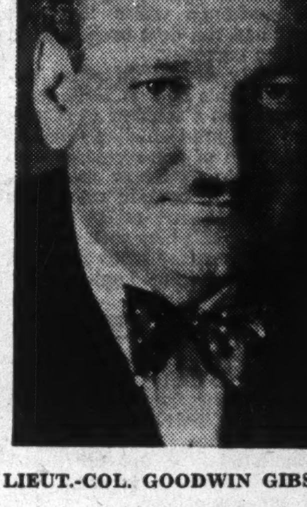
V. H. Edwards, Sterling Trusts Corp., Toronto.

G. H. S. Dinsmore, Gibson Bros., Toronto.

Elmer Woods, of Kirby, Oldfield and Gardiner, Winnipeg.

Frank Mills, Westmount Realty Co., Montreal.

Additional assistance has been given Col. Gibson by F. W. Nicolls, director of housing of the Dominion Department of Finance, and members of his staff.



LIEUT.-COL. GOODWIN GIBSON

Appointment of Col. Gibson was made by a departmental order approved by the minister, Hon. Norman Rogers, and authority for his associates to work with him was given by order-in-council. With establishment of this operation, department officials point out that virtually all expenditures are now carried out indirectly with the assistance of expert boards and advisors.

All substantial war purchases are being made through the War Supply Board, and now Col. Gibson and his volunteer aides are directing and co-ordinating realty transactions.

Shawinigan Power to Issue $6 Millions of 3½% Notes

From Our Own Correspondent

MONTREAL.—Shawinigan Water & Power Co. will be in the bond market, probably by the end of the month, with an issue of $6 millions of 3½% seven-year convertible secured notes, payable in Canadian funds. The issue will be handled by a syndicate headed by Dominion Securities Corp.

An interesting feature of the note issue is that the notes will be convertible into common stock of the company during the first two years at 25, and during the second two years at 30. The conversion privilege is only good up to 1943.

During the first two years the notes will be redeemable at 101, during the second two years at 100½, and thereafter at par.

They will be secured by pledge with the trustee, Montreal Trust Co., of $7 millions principal amount of Shawinigan's first mortgage and collateral trust 4% sinking fund bonds, series G, due June 1, 1969.

Application has been made by the company to the Quebec Provincial Electricity Board for approval of the issue.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipality—	Date Issued	Sold to	Rate	Due	Amount	Price	Yield
Petrolia, Ont.	Nov.	Burns Bros. & Denton	3%	1-5 ser.	$13,930	99.29	3.25%
St. Hyacinthe, P.Q.	Nov.	Burns Bros. & Denton, Fairclough & Co., Royal Bank	3¼%	30-yr. ser.	410,000	94.11	3.93%
Hamilton, Ont.	Nov.	Wood, Gundy & Co.	1¾%	6 mos.	200,000	100.00	.....
Southampton, Ont.	Nov.	Dyment, Anderson & Co.	4%	15-ins.	9,500	101.50	.....
Fort William, Ont.	Nov.	Dyment, Anderson & Co., and Midland Securities	4%	10-15-20 ser.	102,696	100.27	.....
Grand'Mere, P.Q.	Nov.	Harrison & Co., and Banque Canadienne Nationale	4%	1940-54	152,000	99.57	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered By	Rate	Due	Amount	Price	Yield
B. C. Telephone Co.	Nov.	W. C. Pitfield & Co.	4½%	[illegible]	$1,500,000	104	4.30%

Investors' Index

Aluminum	4
Asbestos C.	1, 4, 11
Alta. Pac. Grain	8
Abitibi	4, 12
B. C. Power	4, 20
B. C. Telephone	20
Brompton	12
Bank of Comm.	13
Barclays (Can.)	13
Brantford Cord.	1
B. C. Packers	8
Blue Ribbon C.	8
Burns & Co.	8
Beauharnois	8
Bell Telephone	11
B. A. Oil	11
Canada Cement	4
Canada Packers	11
Can. Inves. Fund	13
Can. Steamships	8
Canadian Car	8
Can. Industries	11
Can. & D. Sugar	11
C. P. R.	1, 8
Chartered Trust	5
Dom. Sq. Corp.	8
Dom. Textile	1
Dom. F'dries.	8, 11
Dosco	8
Distil.-Seagrams	8
Easy Washing	13
Fanny Farmer	11
Famous Players	4
Gen. Steel Wares	11
Gatineau Pwr.	8
Int. Pap. & Pwr.	12
Imperial Bank	13
Internat'l. Pete.	11
Loblaw's	11
Lake of Woods	11
Montreal Pwr.	11
M. & O. Paper	8
Montreal Cottons	4
Montreal Coke	17
Montreal Trams.	4
McColl-Fron.	2, 4, 8
Massey-Harris	1, 11
Nat'l. Steel Car.	11
Ogilvie Flour	11
Ottawa Car & A.	9
Paton Manufac.	8
Price Bros.	11
Steel of Canada	11
Shawinigan	2, 4, 11
Silverwood	8
Stedman Bros.	4
St. Lawr. Corp.	4
Trans-Canada	4, 8
United Corp.	1
West. Can. Flour	2

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Albany River	18
Buff. Ankerite	18
Bankfield Cons.	18
Bulolo	18
Canagau	18
Cons. Smelt.	11, 19
Dome	18
Granby	19
Howe Sound	19
Hiawatha	18
Hudson Bay	19
Inter. Nickel	11, 19
Kelrowe	18
Lake Shore	18, 19
Lava Cap	18
Laura Gold	18
Malartic G. F.	18
Noranda	11, 19
Normetal	19
Naybob	18
Pioneer	18
Silbak Premier	19
Sherritt Gordon	19
Siscoe	18
Sigma	18
Upper Canada	18
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Wright-Harg.	18
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Ymir Yankee G.	19
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Ontario Shows Surplus Down

Public Accounts For 1938-39 Reveal Shrinkage in Margin

Public accounts report of Ontario for the year ended March 31, 1939, reveal marked shrinkage in surplus from the previous year and increase in the province's debt.

Surplus on ordinary account, after inclusion of relief costs for the year, totalled $332,496, compared with a surplus of $4.6 millions in 1937-38. In the 1936-37 fiscal year it was $9.3 millions.

Revenues during the year increased $790,478, but expenditures were higher by $5.1 millions. Revenue from succession duties fell $4.9 millions, while nearly all classes of expenditures showed increases.

Granting a one-mill subsidy to municipalities cost the province $2.9 millions, approximately $20,000 more than in the previous year.

Gasoline taxes brought $859,625 more to the treasury in 1938-39 than in the preceding year. Expenditures on education were increased by $1.5 million. The province's legal machinery took $850,763 less to run in the past year. Looking after public health was $1.9 million more costly, while the Prime Minister's department showed reduced expenditures. Cost of maintaining prisons, industrial schools and reformatories rose $234,483.

ORDINARY ACCOUNT
Net Revenue and Expenditure
Years Ended March 31

	1939 $	1938 $
Revenue:		
Dom. subsidy	2,941,424	2,941,424
Common school fund	72,836	72,829
Taxation:		
Gasoline tax	18,503,789	17,644,164
Income tax	6,896,501	6,041,488
Corporation tax	10,662,772	9,837,867
Succession duties	15,314,854	20,214,183
Mines tax	2,823,020	1,895,056
Other taxes	601,512	516,319
Total taxation	54,802,448	56,159,077
Royalties, duties, dues	3,487,628	3,057,996
Licenses & permits	9,643,536	10,333,610
Fees	2,263,187	2,039,725
Fines & penalties	238,922	258,237
Liquor profits, fines	10,415,000	9,975,000
Agriculture & public domain	648,743	666,305
Repay.—highways	516	107,871
Sale of material	244,845	......
Rent, board, etc.	1,726,206	......
Miscellaneous	357,980	440,719
Total net revenue	86,843,271	86,052,793
Expenditures:		
Agriculture	2,142,615	1,753,862
Attorney-General	2,668,268	3,519,061
Education	12,645,434	11,143,887
Game & fisheries	558,535	513,384
Health	9,488,797	7,576,769
Highways	9,089,278	9,080,680
Insurance	66,220	64,232
Labor	523,810	524,478
Lands & forests	2,231,956	1,719,870
Legislation	268,977	242,427
Lt.-Governor	9,500	17,288
Mines	379,563	364,678
Municipal Affairs	3,282,957	3,106,964
Prime Minister	174,259	190,663
Prov. Auditor	112,891	118,886
Prov. Secretary	1,468,469	1,233,986
Prov. Treasurer	1,192,475	1,248,098
Public Welfare	8,838,740	8,594,078
Public works	781,443	734,365
Miscellaneous	18,980	66,798
Public debt	20,402,126	19,613,591
Stationery	......	18,866
Unemployment relief	10,175,483	9,996,164
Total expenditures	86,520,775	81,443,074
Surplus for year	332,496	4,609,719

Net debt of the province increased nearly $40 millions, while debentures guaranteed by the province increased $6.5 millions.

Debt Position
At March 31

	1939 $	1938 $
Funded debt	607,435,375	585,113,975
Certs. & annuities	353,180	443,556
Treasury	60,000,000	49,000,000
Savings certificates	40,092,333	40,325,014
Special funds	4,697,735	4,140,503
Income liabilities	8,912,972	8,936,297
Bank overdraft	2,174,212	......
Gross debt	723,665,806	687,959,345
Less: Sinking fund	10,898,423	9,884,829
Revenue producing & realiz. assets:		
Hydro advances	147,840,544	149,620,647
T.N.O. Ry. adv.	30,207,935	30,207,935
Farms and mun. loans	53,221,238	55,631,080
Accts. rec.	3,229,039	4,321,170
Net debt	478,268,627	438,293,684
Bonds guaranteed	143,838,874	137,308,097

• Farm loans totalling $42,885,267 are only partially self-supporting. Past due and accrued interest not due in these figures amounted to $6,199,419. accrued interest not due in these figures amounted to $6,199,419.

Increase in Net Debt
Year Ended March 31, 1939

	$
Capital expenditures	*41,091,569
Disct. on debentures	738,725
School fund increase	67
Decr. in income rec.	1,322,666
Incr. in savings premises	1,530
	43,154,557
Less: Ordinary surplus	322,495
Ry. and certs. retired	88,502
Sinking fund payment	992,655
Bond disct. w/o	878,372
Sinking funds earns.	20,938
Treasury bill int.	56,882
Deferred assets decr.	36,155
Receivables incr.	511,410
Int. incr. on agriculture bds.	248,766
Income liabilities decr.	23,325
Misc. increases	114
Total deductions	3,179,615

* Net expenditures after deducting capital receipts of $149,489.

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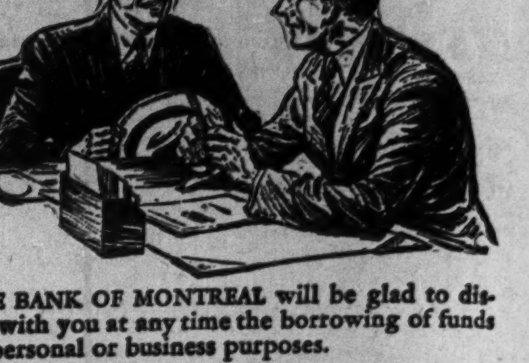

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Dom. Textile Sales Speed

(Continued from page 1)

same extent as in the West. General demand, however, has been good, so much so that larger retail distributors, which ordinarily would buy direct from the mills, have not been able to get sufficient supplies to meet their requirements and are buying from wholesalers.

So far there has been no direct evidence of stocking-up by wholesalers or retailers in anticipation of a price rise. The goods are moving directly into the hands of consumers.

Dominion Textile Co. has been selling its output with comparatively little change in the price schedule as compared with that prevailing before the war. As regards future trend of prices on cotton textiles, Dominion Textile is currently sending out a new price list which calls for an over-all increase of about 10% above the schedule in force a year ago. The new prices do not become effective until next spring and apply only on goods shipped after March 1, 1940.

Use Present Facilities

The increased volume of business, which is expected to be maintained under present circumstances, has not called for any large capital outlay on new equipment, etc., aside from the normal replacements covered by maintenance reserves. However Dominion Textile has gone ahead and completed the new warehouse at Ville La Salle, just outside of Montreal. This latter work was planned some time ago, but deferred until recently when the work was rushed to completion.

Last year Dominion Textile had a trading profit of just under $2.1 millions. This was nearly a third less than in the previous year. Earnings on the common stock were equal to $3.28 a share, as against dividend payments of $5 a share. Judged by the experience to date, earnings for the current fiscal year should be sufficient to cover full dividend requirements without drawing upon reserves as has been the case in two of the last three years.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$7.50	$7.25	$6.50
Hogs	9.15	9.25	8.65
Copper, lb.	.13¼	.13	.11⅛
Cotton, lb.	.0988	.0972	.0897
Rubber, lb.	.2008	.2060	.1608
Sugar, raw, lb.	.0305	.03	.0305
Silk, lb.	3.41	3.35½	1.80
Wheat, Man. (bu.)	.70⅜	.70¼	.58¾
Coffee, lb.	.05½	.05⅛	.05⅛
Hides	.14	.14	.12¾
Weekly Indices			
Canada (D.B.S.)	79.1	79.0	73.3
Do., Wood Gundy	67.2	66.5	56.7
U. S. Labor	79.3	79.3	77.4
Dow Jones (future)	55.38	55.78	48.28
Fishers'	83.8	83.9	80.4
Monthly Indices			
Canada (D.B.S.):			
Retail (Oct.)	84.7	82.9	83.8
W'sale (Sept.)	78.2	72.4	74.5
U. S. (Aug.)	75.0	75.4	78.1
Gt. Brit. (Sept.)	105.2	98.1	98.4

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Silk — Crack db., 13-15 New York. Sugar — 96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

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For 4.25	No. 1 Hamper containing 1 lb. Christmas Cake, Christmas Pudding, Shortbread, Tea, Plums, Honey, Mincemeat, Dates, Strawberry Jam, Dundee Cake, Biscuits, delivered prepaid anywhere in Great Britain, for 4.25.
For 7.50	No. 2 Hamper containing 2 lbs. Pudding, Biscuits, Tea, Shortbread, Mincemeat, Plums, Honey, Dates, Fruit Salad, Pineapple, Dundee Cake, Chocolates, Jellies, delivered prepaid anywhere in Great Britain, for 7.50.
For 10.25	No. 3 Hamper containing 2 lbs. Pudding, Biscuits, Tea, Shortbread, Asparagus, Mincemeat, Honey, Strawberry Jam, Dates, Fruit Salad, Pears, Raspberries, 1 dozen Jellies, Dundee Cake, Chocolates, Tongue, delivered prepaid anywhere in Great Britain, for 10.25.

One of the show places in London is the famous Grocery Hall of Harrod's, where choice foods of every description are handsomely displayed. Britishers from all parts of the Empire visit and admire Grocery Hall, and the fact that your hamper comes from Harrod's will give added pleasure, besides being a guarantee of quality.

Simpson's

Those West Coast Contracts

(Continued from page 1)

coast defense works during the period covered, while two others were handled by day labor.

The Post article dealt with **five cost-plus contracts**. Discussing this type of contract the article said:

"Furthermore, as is the case in all cost-plus operations of this kind, there was no incentive to keep costs down: The greater the cost the greater the profit."

"What protection for the public is there in such contracts?" The Financial Post asked. "The governmental supervision provided for was entirely under the direction of the department that selected the contractors."

"Certainly governmental contracts should not be let on any such basis," it was argued by The Post.

The department statement says there were eight "cost-plus" contracts among the 44.

* * *

The Department says that Brigadier W. W. Foster (who on Oct. 4 last was appointed director of auxiliary services by the Defense Department) "has never figured" in any of the contracts obtained by Pacific Engineers. It declares that The Post's statement that Brigadier Foster is a "central figure" in Pacific Engineers, "while not exactly incorrect, is definitely and deliberately misleading."

The point The Post made was that Brigadier Foster (who was at the time the contracts were let also chief of police of Vancouver) held a controlling interest in the shares of Pacific Engineers. This is not denied.

Since the department accuses The Financial Post of being "definitely and deliberately misleading" in speaking of Brigadier Foster as the "central figure in the company" the facts may perhaps be repeated.

"Pacific Engineers, Limited, is a British Columbia private company, incorporated April 2, 1924, with capital of 1,000 ordinary and 1,000 preference shares. The Companies Branch file at Victoria indicates that at May 13, 1939, the directors were Brigadier W. W. Foster, then chief of police of Vancouver, J. A. D. Keay and D. B. Macdonald, of Vancouver, E. K. DeBeck, Victoria, and C. A. Strong, Tacoma. The majority shareholder at that date was Chief of Police Foster, who held 525 ordinary and 526 preference shares. Brigadier Foster has been connected with the company since its inception but, according to the records of the Companies Branch, secured voting control Nov 16, 1937.

"Brigadier Foster was appointed police chief in 1935 by G. G. McGeer, M.P., then mayor of the city. Mr. McGeer, it will be recalled, acted as chief defender of Hon. Ian Mackenzie and the Government, in the airing given the Hahn contract before this year's sittings of the Public Accounts Committee of the House of Commons.

"Brigadier Foster was promoted from the rank of lieutenant-colonel to that of brigadier in the militia early this year. He is also president of the Canadian Legion and was appointed director of auxiliary services by the Defense Department on Oct. 4 last, securing leave of absence from his Vancouver police post to take over this duty."

What, it may be asked, was "definitely and deliberately misleading" in The Financial Post's statement?

* * *

Now, to summarize, certain facts stand out in the statement of the department that are worthy of very serious consideration by the tax-paying public.

There is the fact that eight cost-plus contracts were let in connection with west coast defense works. The taxpayer has a right to object to the letting of cost-plus contracts to contractors picked by a government department or minister. It is a system that lends itself to the possibility of gross abuse and political favoritism. Too consistently in the administration of the Department of National Defense this system has operated. The department has selected firms to do a job and has given them contracts on a cost-plus basis. Over and over again the contractor favored for the job has been a political favorite of the Government.

The Financial Post has strongly argued that the system is wrong. The department's statement has not changed that conviction.

There is the fact that in certain of these contracts machinery rentals were charged on occasion at double or triple the daily rental rate. For this system The Financial Post has been able to find no precedent in private or government practice. It is a system condemned by the prevailing practice of all reputable contracting firms.

There is the fact that the payments in question were questioned by the officers of the local military district, by the Auditor General and by the chairman of the Defense Purchasing Board. The system itself is now under examination with a view to a possible change in it so that future contracts will not contain such an unbusinesslike provision.

In brief, the department's candid statement provides effective proof not only of the accuracy of The Post's facts but of the soundness of the opinions expressed or implied in it.

The Financial Post repeats what it said in the previous article:

"What does Prime Minister King think of such methods of doing government business, whether in the defense department or elsewhere? Does he approve? He has said that patronage and profiteering in the conduct of the war are out for the duration of the war.

"But the minister under whose direction such contracts were entered into remains a member of Canada's wartime cabinet. Is that Mr. King's real verdict upon the contracts and methods The Financial Post has been revealing?"

* * *

Statement by Defense Officials

Below The Financial Post publishes (in italics) the questions put to the department and (in ordinary type) the department's replies to those questions. Cross-heads have been inserted. While the department's statement specifies the various defense works, The Post has left these references blank for military reasons:

Question One: Are any statements of fact in the article incorrect?

Answers: The statements of actual fact are substantially correct, but many of the facts have been incompletely stated and many facts have been omitted, apparently with the deliberate intention of giving a misleading interpretation. For example:

(a) The statement that three firms got 16 contracts is correct, but the impression conveyed by the article that these contracts were portioned out to the Northern Construction Co., the E. J. Ryan Contracting Co. and the Pacific Engineers is false. Actually, Northern Construction and E. J. Ryan were jointly engaged on four contracts only, i.e. they shared whatever profits there were on these four jobs. The Northern Construction Co. obtained six other contracts in open competition. Pacific Engineers actually have held five contracts, of which two only, with a gross combined value of about $90,000, were on the cost-plus basis, the remainder having been obtained in open competition.

(b) The impression conveyed by the article that 16 contracts comprised the bulk of all work done by the Department on the Pacific Coast from 1937 to the summer of 1939 (the period covered by the article) is false. Actually, 42 contracts have been let during that period to 24 different contractors, while two major defense works have been built by day labor.

(c) The impression conveyed by the article, (i.e. in the statement that at least five out of the 16 contracts referred to were let without competition) is that about one third of the total work done by the Department has been without competition. Actually, eight cost-plus contracts have been awarded out of 44 jobs done. Of these eight, three have a value of less than $50,000 each.

(d) The impression conveyed by the article that Pacific Engineers have had a considerable amount of cost-plus work is false, through failure to mention the fact that two other contractors (not referred to in the article) have had contracts as well.

(e) The statement that Brigadier Foster is a "central figure" in Pacific Engineers, while not exactly incorrect, is definitely and deliberately misleading. Brigadier Foster has had no active part in the company during his appointment as Chief of Police of Vancouver, and has never figured in any of the contracts obtained by it.

(f) The extracts from the Contract Agreement for the . . . Battery, which is the one referred to in the third section of the article are correct so far as they go, but important parts of the paragraphs quoted have been omitted, and other equally important paragraphs have been ignored entirely.

For example, the article states that the contractor would be paid 5% on the cost of the work, and gives certain items of cost, such as sales tax, duty, etc., on which no profit would be added, but fails to quote the other paragraphs of the contract agreement dealing with the definition of cost in which very important limitations were set out in connection with salaries and wages.

(g) The statement with reference to the rental of equipment is a statement of fact only so far as the six items of equipment rentals taken from the contract are concerned. The remainder of this portion of the article does not deal with facts, but with the writer's opinions on the matter of rentals. The fact that rentals were paid only for periods of actual operation has been ignored.

Question Two A: Can the Defense Department deny that in the case of one or more of the currently outstanding contracts held by the Northern group rentals actually were charged on some such basis as that indicated above (in the article)?

Answer: No.

Rentals were charged on the basis set forth in the contract, as quoted in the article. The article, however, ignores the very important fact that rentals were payable only for days of actual operation of equipment. Consequently, any calculation of total rental paid for any piece of equipment, and based on 275 days per year is completely misleading. The only figures of any value in a case of this sort are those of rentals actually paid over any given period of time. These figures are available if required.

Question A (i): Were rentals on any of these contracts charged on the double or triple-shift basis described in the article?

Answer: Three shifts were actually worked at . . . . during the early part of 1938, and some equipment was used two or three shifts during this period, and rentals paid accordingly. A short period of two shifts was also worked at . . . in the early part of 1939.

Question A (ii): Were rentals paid on this basis to the Northern group or to Pacific Engineers or to both?

Answer: No two or three-shift working has been required on the two small cost-plus contracts held by Pacific Engineers. The question of extra shift rentals, therefore, has not arisen.

Question A (iii): Were rentals on this basis claimed by either or both of these companies?

Answer: The question as to two and three shift rentals was raised by our own officers in M.D. 11, in connection with . . . and . . . and a ruling on the interpretation of the relevant clause in the agreement was obtained from the Minister. There was never any actual claim submitted to National Department of Defense Headquarters by the contractors.

Question Two B: Is it correct that certain rental payments under certain of these contracts were held up because they were regarded as being excessive?

Answer: No payments were held up, except as stated in A (iii) above, when the question as to the interpretation of the agreement was brought up.

(Editor's Note: It was also stated in oral discussion that rental payments on one of contracts under review had been questioned by the Auditor-General.)

Question B (i): Were payments of rentals on the basis described refused by the Government and if so to what companies?

Answer: Payment of rentals on the basis described has not been refused by Government so far as my knowledge goes. The question as to whether this basis can be used on subsequent contracts has, however, been raised by the Chairman of the (then) Defense Purchasing Board. No decision on this matter has yet been handed down.

NOTE (appended by the Department to its statement): The amount of equipment actually used for more than one shift per day is quite small. Night work is generally limited to operations for which good light is not necessary, and the general practice was to prepare during the day shift for such operations as could be carried out at night, and the equipment required was consequently not in continuous operation. It should also be noted that ordinary machinery rentals on a monthly basis generally provide for a 50% increase for proposed two-shift, and a 75% increase for three-shift use. As these rates are monthly, the equivalent charges are, in effect, much higher if equipment cannot actually be used two or three shifts per day throughout the month.

In the oral discussion that preceded the presentation of written questions to the Department of National Defense, officials presented a number of arguments to justify the use of cost-plus contracts in the construction of fortifications. These will be dealt with in an early issue, as space limitations prevent their publication here.

$30 Millions In War Orders Go to B. C.

But Practically All Business For Metals and Lumber

OTHERS DISAPPOINTED

From Our Own Correspondent

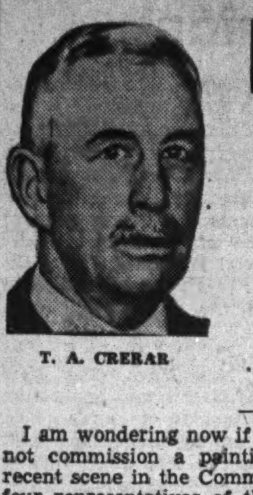
VANCOUVER. — After ten weeks of war British Columbia factories are still without a share of the business that was expected to be theirs as a result of emergency demand overseas. But this province's industries have not missed out entirely in the war markets. Actually, orders amounting to perhaps $30 millions have been placed for base metals and lumber. Other industries, however, are disappointed particularly ship and plane building.

It is estimated that the British Government's deal for lead and zinc, concluded last week, will bring close to $20 millions to this province during the coming year, all of it for Consolidated Mining & Smelting Co. There is good reason to suspect that exports will actually be a good deal greater than last year as production at Trail has been steadily increasing.

Lumber Also Gains

The other industry that has made an important deal with the British Government is lumber. Fundamentally, this may not be war business, and it may be argued that present volume of business is at a level closely paralleled during the past year or so. However, it is a fact that Britain regards lumber as a vital war commodity and for that reason has guaranteed the ships to move it, even though the supply of ships so far has been almost distressingly less than requirements. It is also a fact that most of the lumber now being imported by Britain is for war construction; otherwise many other commodities would get prior call for the space.

Just what this war order for lumber amounts to in dollars is almost anyone's guess, for it depends so much on how much can be delivered in a certain time. It is the understanding here that the business placed or confirmed since the war by the British Government is the equivalent to about 120 deep-sea cargoes. For the purposes of calculation, a rough figure of $10 millions might be used, but in view of the continued orders virtually assured even this amount seems conservative.



T. A. CRERAR

London Calling By Atticus

Empire Delegates to London Parleys Received in British House of Commons

—LONDON.

I am wondering now if we should not commission a painting of the recent scene in the Commons, when four representatives of the Empire actually sat in the gallery reserved for members. It is true that Speaker FitzRoy was consulted beforehand, and ruled that, providing fit and proper notice be given in advance, four such seats may be allotted to visiting Cabinet Ministers and Members of the Council of the Governor-General of India who may be in London during the war. Thus is revolution legalized, but it is a revolution none the less—and, as usual in these islands, imperceptible.

Personally, I would like to see the plan extended until that gallery is filled with Empire delegates sent as full-fledged members to the Imperial Parliament of Westminster. But it is good to have these distinguished kinsmen in London just now. Let us have a look at one or two of them.

* * *

Watchers from Overseas

Colonel Deneys Reitz is not popular with the Nazis, who have been blaring abuse at him on the radio. The Colonel has that calm of feature which befits the race that produced the genius of Rembrandt. He speaks slowly and thoughtfully, as one who comes of an older civilization than some of his Empire colleagues.

In the Boer war he fought tenaciously against the British, and when it was over he had nothing but hatred for us in his heart. Then he watched, as British magnanimity healed the wounds and softened the passions of war.

Now, as Minister of Native Affairs, he says simply: "I offer my life to the nation that treated my people so generously." No wonder Mr. R. B. Bennett has said: "It is no use asking me to discuss the Empire without emotion. I cannot do it."

As has been noted, Mr. R. G. Casey bears an agreeable likeness to Anthony Eden, albeit of a somewhat more rugged mold. He is Australia's Minister of Supply and Development, which seems enough for one man. He has two great assets—vitality and photograph-ability. We shall be aware of him while he is in our midst.

Mr. T. A. Crerar is Canada's Minister of Mines and National Resources, a portfolio of great importance, since the mineral wealth from Canada's soil increases with each succeeding year. He is serious of purpose, but easily amused. Like so many of Mr. Mackenzie King's Ministers he is something of a philosopher.

* * *

Fascist "Oi!"

Apparently Marshal Goering is going to Italy again. His task, no doubt, will be to exhort, charm, reproach, and explain. So many a lover has tried to rekindle the ashes of a dead romance. Goering is built like Falstaff, and I think will have no better luck with his amours.

For one thing, the austere Signor Starace is no longer Secretary of the Fascist Party, nor is the debonair Signor Alfieri continuing as Minister of Propaganda. Starace believed in the Nazis and their creed; Alfieri was a loyal trumpeter for them.

The last time I saw Signor Starace was under unusual circumstances. He disapproves of society, and seldom attends any social functions. However, he turned up at the British Embassy for the ball which was given on the final night of Mr. Chamberlain's visit.

A young woman even persuaded him to dance. It was while he was on the floor that the band broke into that English classic known as "The Lambeth Walk." Poor Starace was greatly puzzled.

He heard the dancers shout "Oi!" and watched them do some mysterious signal over the shoulder with the right thumb. Diffidently the all-powerful party secretary rose to the occasion. He did not shout "Oi!" but he raised his hand in the Fascist salute. Rome was delighted.

* * *

Lady Haig

The death of the Countess of Haig at the early age of sixty is a reminder of how short a time has elapsed between the wars of 1914 and 1939. When the first one broke out Lady Haig was thirty-five years of age with all the dazzling career of her husband ahead. Theirs had been a romance which she loved to recall. Social life was full of formalities in her girlhood, and although she had wanted to meet the handsome polo player of the 17th Lancers, it was not until after two years that she succeeded in doing so.

It happened when Douglas Haig went to stay at Windsor Castle, where his future wife, Dorothy Vivian, was acting as maid of honor to Queen Alexandra. Conversations ensued. Then a game of golf on Saturday morning. Somewhere on the links the cavalry officer proposed.

In the years that followed the death of her husband Lady Haig became the centre of more than one controversy. She resented those who drew their knives and their pens when the former Field-Marshal could no longer defend himself.

When the equestrian statue of her husband began to take form she publicly denounced it as terrible and untrue. She resigned from the British Legion on the grounds that the Legion was undemocratic and indifferent to the welfare of its members.

There were other controversies as well. Who was it said that life is a comedy for those who think and a tragedy for those who feel? The late Lady Haig felt deeply and passionately on many things.

* * *

Asquith's Son

It is always pleasant to see a brilliant family strain take form in the second generation. The purpose of this paragraph is to salute the genius and the perseverance of my friend Anthony Asquith. The film trade permitted him to enter their lordly portals some years ago because his name gave them a sense of importance. When he insisted that he wanted to make films they regarded it as an amiable idiosyncrasy on his part and allowed him to watch directors who had less than a quarter of his intelligence. Nothing could discourage him.

When Asquith was given a chance on a gamble to direct "Pygmalion," the result was so good that crowds stormed the cinemas of the world to see it. Not only was it technically excellent, but the direction was sensitive, humorous and intelligent, as befits an Asquith.

Now he has directed "French Without Tears." He has done it so wittily and with such dexterity that, watching the picture, it is impossible to visualize such things as sets or cameras.

And is he making another masterpiece now? I shouldn't think so. You see he is an Asquith. The film industry still looks upon him as a young man from outside with an amiable weakness for pictures.

* * *

Supreme Exposer

The fact that Sir Nevile Henderson should have become the supreme exposer of Nazi treachery is a highly interesting development. Unlike his predecessor in Berlin, who disliked the Nazis and all their works from the very beginning, Sir Nevile was popularly supposed to be an admirer of the regime so far as a democratically minded man could be.

Hardly had he entered upon his ambassadorship when he made a speech in Berlin criticizing those people in Britain who were always carping at the Nazis instead of appreciating the high achievements of the social experiment being carried out in Germany. American correspondents in Berlin used to send home stories to their papers of Britain's pro-Nazi ambassador. When he attended the Nuremberg Party Rally the tongues and pens spluttered more than ever.

Sir Nevile was not disturbed by the furore. He had come to the conclusion that war was inevitable unless Hitler could be made aware of Britain's intentions. Therefore he was going to keep all contacts with the Fuehrer open. Perhaps he remembered that foreign correspondents are notoriously emotional and that he could not conduct his embassy for their approval. Perhaps he went to Nuremberg because he wanted to see it.

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Investment Trends

War's Uncertainties Keep Market Tone Slow

Certain Business Interests Bring Regulation 31 of the Exchange Board Under Fire — Dutch Disturbed Over Canadian Stocks

Once more it is a case of little change to report in the stock market outlook. Trading activity has fallen to low levels and the average investor seems well content to remain aloof.

Time will cure this trouble. The market apparently considers that it has discounted business and wartime conditions as far ahead as can be seen with any certainty. A period of hesitation while a new look at the future can be taken should not be unexpected.

Meanwhile business figures continue to give support to the more optimistic point of view. A recent evidence of this is the 13% increase in primary power output for the Niagara System of Ontario Hydro.

The war is probably placing the chief barrier in front of a more optimistic attitude in two ways. In the first place, there is no certainty that the war will not bring severe, if temporary, disturbances, to the fortunes of the Allies. This, and a widespread thought of an early peace with its inevitable readjustment period, may be cause enough for hesitation. But behind this again is the attitude of the war-wise investor who is unwilling to capitalize earning power in wartime nearly as optimistically as might be the case during peace. Taxation and the inevitable post-war readjustment give enough excuse for this cautious attitude.

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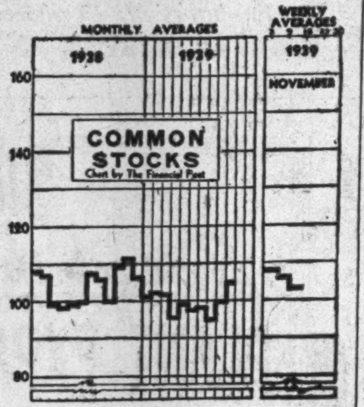

Regulation 31

"Regulation 31" of the Foreign Exchange Control Board continues to draw the fire of some business men. This is the regulation under which Imperial Oil (and associated companies) last week reduced their dividend payments by dropping the "extras" paid out of accumulated surplus.

Regulation 31, in effect, says that when any company with fewer than 100 shareholders or one that is controlled abroad (through ownership of 50% or more of the shares) pays dividends, non-resident shareholders shall not have an "automatic right" to buy foreign exchange in order to take their dividends out of the country. Instead, such companies must obtain a permit before paying dividends to non-residents and the permit will not be granted if any export of capital is involved.

Obviously aimed at Canadian subsidiaries of American companies, the regulation is designed to prevent such companies withdrawing capital by paying dividends out of accumulated surplus—which is to say at a rate greater than current earnings.

The head of one company affected by the ruling made these points to The Financial Post:

First, that fixing an arbitrary figure of less than 100 shareholders makes for discrimination between one company and some almost similar company.

Second, that a sound and stable dividend policy is probably impossible under the regulation. His is a feast or famine industry; a few years up and a few years down. Yet the company has always maintained a policy of paying small but steady dividends. Under this regulation it cannot pay even this small dividend in 1940 if 1939 earnings are less than the amount to be paid.

He suggests that a company be permitted to pay on a basis that will permit stability of payments. He proposes that, for instance, a company should be allowed to pay to non-residents, dividends equivalent to not more than 60% of the average earnings over a five year period.

He argues that the Exchange Control should be managed in such a way as to give the least possible offense to Americans who have invested money in Canadian industry.

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Contest Critics

Elsewhere in this issue The Financial Post publishes comment that correspondents have given regarding the prize-winning portfolio published last week: One critic points out that almost half of the amount to be invested in stocks would be placed in stocks which are not eligible for investment by life insurance companies in Canada.

Now it is quite true that insurance companies have staffs of experts watching their investments all the time and are at least as well qualified as any to give the essential management that any fund needs. But their hands are tied, chiefly on the single necessity of income received regularly to meet continually accruing obligations. It is this standard that has had a lot to do with the regulations set up by the insurance department.

It is interesting to look over the portfolio submitted by a member of the investment department of one of the largest Canadian life insurance companies. This list also includes stocks that are not eligible for investment by the company for which he works and in fact are not paying dividends at all. This may not be so inconsistent as our critic feels. This businessman has sufficient income for his own needs from his business. He does not need the income from his investments to supplement his living costs. Thus the matter of income tax on unearned income becomes more of a factor and certainly makes emphasis on income less necessary.

Finally, to have done other than judge the entries on the basis of the arguments which each entrant submitted in support of his own choice would have made the judges the selectors of the ideal portfolio. This was contrary to the objectives stated by The Post in outlining the contest. This contest was to give anyone who desired an opportunity to air his own views, not those of The Financial Post or the judges.

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Canadian Stocks Abroad

The ideas advanced by Goodwin R. Harris of the Toronto Stock Exchange firm of Seagram, Harris & Bricker, regarding the distribution of repatriated Canadian securities, if and when repatriation actually takes place on any important scale, are not the first constructive effort that he has made along this line. It may be recalled that Mr. Harris and his firm were largely instrumental in urging the Dominion authorities to take action some months ago to have the ban on Canadian securities in Holland lifted. This ban had lasted from the last war and resulted from a mix-up over C. P. R. shares. His efforts started a chain of events that resulted in several million dollars worth of Canadian stocks being placed in Europe, particularly Holland and Switzerland.

Just last summer two Canadian stocks, Noranda and Montreal Power, were listed on the Amsterdam bourse. But with the outbreak of war in September and the closing of the Canadian markets to outsiders, trading in Canadian securities again came under he ban of Dutch authorities, chiefly because of Canada's "Trading With the Enemy" regulations. The Dutch are wary and fear being caught again in war time troubles with their investments abroad.

There was some liquidation of Canadian stocks and bonds from European sources at the early stages of the war, prior to the advent of the Foreign Exchange Control Board, but this is now practically eliminated. Mr. Harris says that the Dutch investors who bought several million dollars of such Canadian stocks as Bell Telephone, Montreal Power, Noranda, International Nickel, Hudson Bay Mining, Steel of Canada and others of that calibre, are willing to hold the stocks that they now have.

Stedman Bros. Profit Higher

Results of operations of Stedman Bros. in the current year are expected to show moderate improvement over 1938.

In the 10 months to Oct. 31 sales were up 10% and earnings were somewhat higher than in the same period of the previous year. Business has shown substantial improvement since the outbreak of war and at the present time the company's variety stores and warehouse are operating at high levels.

In the year ended Dec. 31, 1938, net profit was equivalent to $2.93 on the common shares, compared with $2.79 in the previous year, on a comparative basis.

Investment Notes

Canada Cement — Possible improvements in earnings for the current fiscal year which ends Nov. 30 next are indicated by recent trend of cement production. For the nine months ended Aug. 31, output of 3,748,570 barrels compared with 3,718,838 in the same period last year. The figures are more encouraging than indicated, because in the last four months there has been an increase in production of nearly 190,000 barrels.

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Famous Players Canadian Corp.—Theatre attendance for 1939, to the end of October, is understood to have been slightly lower than in the corresponding months of 1938. Decreased attendance was recorded principally in the summer months and continued into September, reflecting the uncertainty due to the war. October this year, however, made a somewhat better showing.

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St. Lawrence Corp.—In a review of the outlook for this company's A preferred shares, White & Haldenby points to the direct relationship between price of this stock and income and earnings of Brompton Pulp & Paper Co. which subsidiary is the chief source of income to St. Lawrence Corp. Brompton earned $1.34 a share in 1937 and 40 cents in 1938, "but following the recent sharp increase in earnings it is likely that the earnings per share for the year 1939 will be well in excess of $1." Brompton declared a dividend of $1.10 a share on its common, practically all of which is owned by St. Lawrence Corp., on Nov. 17, the same day that St. Lawrence Corp. declared $1 a share on its A preferred.

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Montreal Cottons — Earnings for the current year are expected to be moderately ahead of 1938 when the company showed total income of around $670,000 and earnings of $2.06 a share on the common stock. Currently the company is paying 50 cents a share quarterly and if the present rate of income is maintained, there is a possibility that the stock will be raised to a $4 annual basis in 1940. This would call for dividend payments of $120,000, compared with the present distribution of $60,000 annually.

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McColl-Frontenac—Some signs of returning interest in the common. Preliminary reports issued by the company indicate earnings on a much better basis, raising the hope that dividends may be resumed on the common before long.

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Shawinigan—Firm power load has shown an encouraging growth in the past few months. Revenues too have been on a higher basis. The current dividend of 90 cents a share should be shown as covered by a good margin in 1938. Other developments are most encouraging, a condition which is not wholly reflected by the stock market.

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Montreal Tramways—From a high of 70 the common has sunk to current level of just under 52, a new low for this and several years past. No further word about the Government enquiry into the terms of the contract with the city, but the action of the stock would indicate some form of a revision not wholly favorable to the company.

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B. C. Power — Earnings have been increasing quite steadily this year and full returns for the 12 months fiscal year should show the $2 dividend on the class A stock fully covered. Possible stiffening of regulations on the coast have tended to hold down the value of the stock to between 25 and 26, at which level there is a return of nearly 8%.

Market Opinions

Lack of any decisive move in either direction has given market commentators little chance to express decided opinions as to the outlook.

Magazine of Wall Street, New York.—"Nothing in the action of the market to date, nor in the visible economic and financial factors, can be interpreted as challenging the conception that the major trend is up and that in time the September highs will be exceeded. Naturally, we could all feel more confident of the underlying bull trend when and if it is given renewed technical confirmation—for despite the favorable business picture and the fundamental background of expansionist monetary-credit forces, the longer range outlook in this topsy-turvy world is puzzling."

• • •

Brookmire Counselor, New York.—"No decision is yet visible on the question of whether further reactionary tendencies will temporarily prevail in the stock market, or whether the underlying recovery will bring nearby resumption of the main uptrend. Such an indeterminate market position constitutes essentially an occasion to avoid either extreme: undue caution or unbridled optimism."

• • •

Barron's, New York (The Trader).—"Individuals long of stocks or cash or short of stocks have gained a little advantage on one another. The holders of prime investment issues have fared best and the strength of investment issues in past week, notably in the utility group, is a heartening development. Any indication of a break-up of the log jam in the financing market would be even more heartening. While stocks are making a little progress by the same token, the tediousness of the improvement is no augury of a sudden collapse. With financial and business factors both sound, it is more a question of time when the will to speculate materializes."

• • •

Barron's, New York (The Dow Theorist).—"After breaking through resistance points of more than ordinary minor significance the week before last, the Dow-Jones Industrial and Railroad averages have rallied, holding above their secondary resistance point, 147.78 and 20.81. Should these points be broken, a secondary decline of undetermined length and depth would be signalled under the Dow theory. A rise above 155.92 and 35.90, on the other hand, would simply reaffirm the primary uptrend, which is up under the Dow theory."

• • •

The Annalist, New York.—"It is certainly true that some supply of stock has come in from foreign sources. In conducting such an operation, however, it would seem more reasonable to give prices an opportunity to advance before attempting to dispose of important quantities. . . . If foreign selling is not under the control of someone expert in technical market movements and conditions, foreign governments are losing a great amount of money."

Repatriation May Bring New Crop of Investors

A double-barrelled opportunity may be offered to investment dealers and brokers in Canada to pick up a lot of much-needed new stock and bond buyers, when repatriation of Canadian securities starts on an important scale. For the past year or two complaints have been frequent, particularly from members of Canadian stock exchanges. They argued that they could not continue to live on the volume of business that was flowing through the stock exchange channels. Things might pick up for a month or two and everybody feel cheerful, but back would flop volume of sales into the old rut.

Now it is expected that this can be changed, and perhaps permanently, according to the views of Goodwin R. Harris, senior partner in the Toronto Stock Exchange firm of Seagram, Harris & Bricker.

Briefly expressed, Mr. Harris feels that proper organization, which would involve co-operation between the stock exchanges and their members, the Bank of Canada and the British Treasury officials, can easily mean the discovery of an entirely new lot of customers for the better grades of Canadian stocks. He looks back at the last war and sees where that conflict gave rise to a nation of bond and insurance buyers in Canada among people who had scarcely heard of such an investment as a bond prior to 1914.

Now, with another war on, Mr. Harris sees both a patriotic duty and an opportunity in the talked-of repatriation of Canadian stocks and bonds held in Britain.

Stress Investment Stocks

In a letter to The Financial Post Mr. Harris says:

"It is my contention that at the present time there are too few investors in Canadian investment stocks. It is also my contention that this small number of stock buyers could be most materially increased, both to the benefit of our stock exchanges and our financial journals. If you could bring to the attention of the Government and our stock exchanges the suggestion that in repatriating the securities here stock brokers should band together and dispose of certain blocks of these securities to the public, the butcher, the grocer and other retail merchants who are going to benefit from increased business would be encouraged to purchase anywhere from one share up of these investment securities, and thereby become potential shareholders of Canadian stocks. This would require a certain amount of publicity and educational matter, and hard work by the exchange firms in selling these securities, as well as government co-operation.

"There would be also the added incentive to the brokerage business of disposing of these securities on a patriotic basis. It is my thought that this would greatly help the Government, and would also create many new stock exchange patrons, so that the stock exchange business in Canada could be put on a different basis. This is all the more necessary now, due to the fact that foreign business, in the main, is cut off from this country, in the matter of dealing in Canadian securities."

Remedy Mistakes

He agrees with the view that many people in Canada have been bitten by the speculative bug but have not been directed along sound lines. They have perhaps put the few hundred dollars they have accumulated into some new venture in the hope of making a fortune overnight. In the majority of cases the results have been disastrous and another potential investor disgruntled.

These people would have been better if they had bought perhaps a few shares of some established enterprise which would pay some dividends and at the same time grow in value. Now, thinks Mr. Harris, when there is a possibility that substantial amounts of shares of Canadian companies may again be offered to this country, a definite effort should be made to distribute these investment grade shares to the people who might be bitten by the speculative craze without realizing its dangers.

Interest Stirs Abitibi Plans

Gain in Earnings Dampens Ardor for Judicial Sale

Substantial improvement in the earnings of Abitibi Power & Paper Co. is reviving interest in reorganization of this big company, The Financial Post is informed.

Recently there was a joint meeting of the committees representing preferred shares, common shares and general creditors. These committees expressed themselves as being unanimously in support of the compromise plan offered by the Bradshaw committee.

Wavering on Symington Plan?

Spokesman for the equity holders' committee tells The Financial Post that certain insurance companies, large holders of bonds, who were officially supporting the Symington plan of judicial sale, are actually not now in favor of this method of reorganization. These people suggest that the chances of antagonizing the goodwill of a large number of Abitibi shareholders are such that the insurance companies hesitate to go any farther with it.

They also point to the marked change in earnings figures reported by Abitibi in the past few months. Details of these earnings are shown elsewhere in The Financial Post. They show how rapidly earnings power can come back when newsprint operations are on more than a 60% basis.

Time is Factor

It is claimed that time is acting on the side of the equity holders in that the more evidence there is of better earnings, and therefore an equity after bond claims, the less likely it is that sufficient public support for the Symington plan can be obtained. On the other hand bondholders seem content to let affairs go along as they are.

The attitude of the Ontario Government is considered important in the Abitibi case. Last spring statements by government spokesmen pointed to the likelihood of official opposition to the Symington plan and there is no reason to believe that this attitude has changed.

Apparently the hope of representatives of junior security holders is to bring sufficient pressure to bear on bondholders and others opposed to their views to bring about some kind of a joint conference and agreement on a plan which can be supported by all. At the moment no forecast of when this can be accomplished is possible but spokesmen for shareholders' groups place a good deal of reliance on hope of initiative from the Ferguson - Scott - Murdoch committee.

There is no word from the official bondholders' committee of which H. J. Symington, Montreal, is chairman. It is understood that this committee wrote to the late Thomas Bradshaw in reply to the plan of reorganization which his group sponsored. The letter implied that there would be no official action taken by the Symington committee on the proposals. Since then Thomas Bradshaw, head of the Bradshaw - Ferguson - Scott group, has died and in his place James Y. Murdoch, K.C., is acting with Messrs. Ferguson and Scott. Hon. G. Howard Ferguson is the new chairman of this committee.

Canadian Government,
Municipal, Public Utility
and Corporation Bonds

Mail enquiries receive prompt attention.

Wood, Gundy & Company
Limited
Toronto Winnipeg
Montreal Ottawa Vancouver
London, Eng. Hamilton London, Ont.

Aluminum May Expand at Arvida

From Our Own Correspondent

MONTREAL.—Aluminum Co. of Canada is understood to be considering a further extension of facilities at the Arvida smelter. At present the company has installed and in operation six pot rooms, with a seventh in course of construction. The latter is scheduled for completion about the end of the year.

While there is nothing definite to report at this time, the management is understood to be considering plans for two additional pot rooms. Final decision will be influenced largely upon possible war and industrial demands. At this time all facilities are operating to capacity and a further increase in demand would necessitate installation of more pot rooms.

Trans-Canada Shares Pays Higher Dividend

Trans-Canada Investment Corp., Vancouver, announces a dividend of 22.2% a share on Trans-Canada Shares to be paid Dec. 1, 1939. This dividend is for the six months ended Nov. 15 of this year.

Dividends paid for 1939 amount to 61.64 cents a share, which is stated by Trans-Canada Investment Corp. to be equal to an annual return of 4.44% on the current price of $13.75 a share.

Ross on Asbestos Board

From Our Own Correspondent

MONTREAL.—James G. Ross has been elected to the board of directors of Asbestos Corp. in place of Col. J. L. Ralston, who resigned when he became Minister of Finance.

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Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
1929-38:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	204.6	281.1	197.6	131.7	166.0	189.3
Low	39.2	3.0	37.7	87.7	30.8	78.8	33.8	44.3	47.1	63.1	36.9	43.3
1939:												
Jan.	129.4	16.9	79.1	173.5	52.9	172.9	126.9	133.3	57.5	85.2	42.7	102.9
Feb.	129.4	16.4	77.6	175.9	54.3	175.3	130.4	133.6	58.2	85.3	42.9	104.1
Mar.	126.6	15.1	79.8	173.9	57.2	172.5	127.6	132.9	62.0	85.1	44.4	103.7
Apr.	111.1	11.5	71.4	162.9	35.1	169.2	116.9	119.3	58.9	83.7	41.9	96.2
May	112.5	12.0	78.9	170.2	55.0	176.3	120.4	124.6	60.8	84.7	43.2	99.2
June	114.2	12.4	77.4	153.2	56.2	179.2	124.7	128.8	60.8	85.0	43.7	97.0
July	118.0	12.7	75.0	154.0	59.8	182.1	124.8	129.5	59.2	85.0	42.7	97.3
Aug.	108.6	11.1	76.0	147.9	60.1	180.5	117.7	121.6	56.8	84.3	40.9	94.2
Sept.	132.8	19.1	99.8	164.6	71.9	170.8	108.5	145.3	53.8	78.4	42.2	100.1
Weekly Figures:												
Oct. 5 ..	141.7	21.3	104.3	170.0	76.2	174.2	115.1	152.9	56.1	79.2	44.6	101.0
Oct. 12 ..	144.8	21.3	107.5	179.7	78.6	175.0	118.2	153.7	57.6	78.6	45.5	103.4
Oct. 19 ..	151.5	23.1	108.6	189.7	82.9	179.1	120.0	163.2	59.8	80.0	46.0	107.3
Oct. 26 ..	151.1	24.8	107.0	191.0	84.0	180.8	124.5	165.0	60.6	81.9	46.2	107.9
Nov. 2 ..	149.1	25.0	106.2	187.6	83.6	179.0	128.3	162.1	60.5	83.2	45.8	107.8
Nov. 9 ..	146.5	23.9	103.3	184.2	82.6	172.1	126.6	161.1	60.4	83.5	45.4	105.9
Nov. 16 ..	139.3	22.7	96.2	169.9	82.8	174.7	125.5	156.1	59.2	84.0	44.4	102.9

*High and low for year from 1929 to 1938 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	10 B.M.	15 W.O.
Nov. 21	122.93	116.82	87.82	30.19
Nov. 20	123.76	117.28	88.50	30.25
Nov. 18	124.43	117.17	89.07	30.50
Nov. 17	124.85	117.63	89.17	30.69
Nov. 16	124.58	117.46	89.06	30.59
Nov. 15	123.79	116.17	89.16	30.49
Month ago ..	128.73	113.82	90.80	34.55
Year ago	123.81	119.45	98.72	32.92
High, 1939 ..	133.92	125.59	104.13	42.50
Low, 1939	97.75	100.35	79.50	21.07

Montreal Stock Exchange Averages

	10 Util.	10 Ind.	20 Cbd.	10 Pprs.	15 Golds
Nov. 21	66.1	86.0	79.6	124.30	97.70
Nov. 20	66.1	86.0	79.6	124.90	97.79
Nov. 18	66.2	86.0	79.6	124.25	97.57
Nov. 17	66.6	87.6	80.2	126.00	97.87
Nov. 16	66.3	87.0	79.7	125.90	97.80
Nov. 15	66.1	86.8	79.6	127.30	97.47
Month ago ...	65.6	92.1	81.4	128.50	98.00
Year ago	65.7	79.9	77.8	[illegible]	[illegible]
High, 1939 ..	70.1	92.5	85.1	121.07	98.47
Low, 1939	55.9	63.2	62.7	50.78	86.86

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ACCOUNTANT—MANAGER TRADER, fully qualified, desires position of trust and responsibility. Wide experience, including twelve years with reputable bond house. Age 41, married, highest references. Willing to go out of town. Box 215, The Financial Post, Toronto.

Municipal Debentures For Sale

Tenders for the purchase of instalment debentures of the Municipality of the township of Pickering for $11,000, bearing interest at 4% per annum, repayable during a term of 20 years from December 15th next, will be received by the undersigned Clerk up to November 25th next.

The lowest or any tender not necessarily accepted.

DONALD R. BEATON,
Clerk,
Whitevale, Ontario.

Bond Markets

Prices Changed Little In Inactive Trading

Feature of Bond Market is Moderate Amount of Municipal Financing — Speculation Rife on New Dominion Loan

In the absence of any lead, bond markets continued without any noticeable activity. Over the week prices varied little in high-grade obligations, while corporation issues in many cases lost ground.

Practically the only feature of the week was a moderate amount of municipal financing. York County, Ont., has evolved a plan in cooperation with the Ontario Department of Municipal Affairs, which the bondholders' committee will recommend to holders of the township's obligations. It is patterned on the previous refunding arrangements adopted in Ontario refundings. Debentures of the municipalities were already at levels considered high for those of a defaulted municipality.

Conjectures as to when the Dominion Government will come to the market with its issue still dominate the high-grade market. The market is expected to absorb readily a fairly substantial issue, although it is believed that a coupon rate of 3½% would prove more attractive to the small investor on patriotic grounds than to the institutional investor.

In the week ended Nov. 16 the Dominion long-term bond index dropped to 112.7 from 113.3 in the previous week. The D.B.S. daily index dropped to 112.7 on Nov. 10 from 112.8 the previous day and remained at that point for the balance of the week. At this level prices have recovered slightly more than half the loss sustained between Aug. 17 and Sept. 13.

* * *

Newsprint Bonds

Newsprint issues generally have shown some advance but viewed over the past month have failed to maintain the interest exhibited at the outbreak of war. This slackening of interest has occurred despite the much more favorable outlook and earnings statements that have reached the market recently. It would appear from this action that investors more than discounted the improved outlook a month ago, and a drying up of speculative interest, coupled with selling on good news has caused the retreat of newsprint issues.

The price trend of a few of the issues is shown below, compared with one week and one month previous:

Newsprint Bond Bid Prices

	Nov. 20	Nov. 13	Oct. 20
Abitibi 5/53	60.50	60.00	63.25
Brown Co. 5½/46 .	51.00	49.00	54.00
Consolidated 5½/61	58.25	58.00	59.50
Fraser Cos. 6/50 ..	97.50	98.00	99.50
Great Lakes 5/55 ..	93.00	92.50	89.00
Lake St. John 5½/61	89.75	88.00	86.00
M. & O. 6/50	45.00	44.00	43.50
Price Bros. 5/57 ..	97.50	97.50	96.00

* * *

British Markets Firm

In Great Britain markets are quietly preparing themselves for the huge loan which is expected to be floated in the near future. The condition of credit and the strength of public opinion against Germany augurs well for the success of the loan, which will in all probability be directed as an appeal to the small investor.

Savings certificates are being sold to small investors with no limit on the amount to be issued.

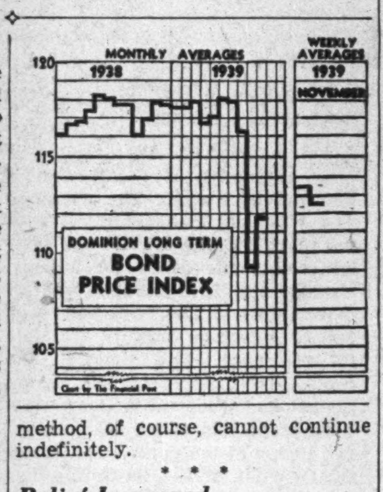
The amazing strength of British finances is indicated by the reduction in the bank rate to 2% from 3%. It has even been suggested that the Treasury might be able to cut the rate to 1½% or 1%. This is all the more significant since it has occurred within only 10 weeks of the outbreak of war. Contrasted with this is the German Government's experience with its financing programme. Tax bonds, issued more than six months ago to contractors for state work, which were to be used for tax payments will not now be accepted for this purpose. It has also been reported that the German Government will mobilize bank service deposits and insurance funds.

* * *

Montreal Budget Trouble

One of the major problems facing Montreal at present is its 1940-41 budget. It is generally admitted that there will be considerable difficulty in balancing the budget even before providing for relief costs. The budget for the current year was balanced by transferring $5 millions from capital surplus to revenue. No such alleged surplus is available this year. At least an additional $5 millions will have to be found if the expenditures are to be maintained at the present level and the budget balanced.

Another problem facing Montreal is the financing of relief costs. Since the refusal of the banks six months ago to make further advances which could not be repaid out of current revenue, the city has been financing relief by the sale of bonds to its sinking fund. Investments in the sinking fund have not been disturbed but payments to the sinking fund for the current year have been used to buy serial bonds issued for relief purposes. This method, of course, cannot continue indefinitely.



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Relief Improved

There has been some improvement in the relief situation. Total costs in Montreal this year will not show much change from last year. The city's share, however, will be lower due to the new arrangement made with the Dominion and Provincial Governments.

One result of the defeat of the Duplessis Government may be loans from the Dominion Government to finance self-liquidating works. Early this year Ottawa brought down legislation authorizing loans to municipalities for such purposes, the interest rate to be 2%. One of the conditions was that the projects must be approved by the provincial government. The Duplessis Government, in pursuing its policy of non-co-operation with Ottawa, ignored requests for such approval.

* * *

Expect Relief Claim

City officials now expect recognition of their claim of almost $5 millions against the provincial government for relief costs. The Duplessis Government claimed the province owed the city nothing and attempted to place the onus on the Dominion Government. City officials point out, however, that monthly bills making up the $5 millions were approved by the Quebec authorities and on the basis of their endorsement discounted by the banks.

Exchange costs are not expected to cause the city serious embarrassment. The higher cost of interest charges payable in United States is offset in part by savings in interest on bonds payable in the pound sterling. Montreal has about $93 millions of bonds payable in U. S. funds and $50 millions payable in sterling.

* * *

Bond Index

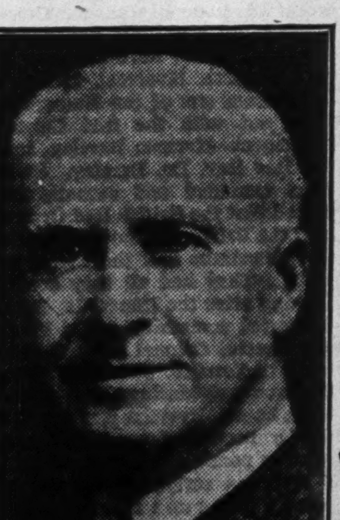
DOMINION OF CANADA
Long-term Bond Index

	Latest week Nov. 10-16	Preceding week Nov. 3-9	Weekly average year ago
Price	112.7	113.3	118.1
Yield	69.6	68.8	61.1

Bond Tenders

Nov. 25, Township of Pickering—$11,000, 4%, 20 years, dated Dec. 15, 1939. D. R. Beaton, clerk. Whitevale, Ont. (See announcement on page 5.)

7 p.m., Dec. 2, Sch. Mun. of Sayabec, P.Q. —$34,500, 4%, dated Nov. 1, 1939, redeemable serially Nov. 1, 1940 to 1949. J. A. Ross, sec.-treas.



William H. Cooper, Hamilton, president W. H. Cooper Construction Co. Ltd. and N. Slater Co. Ltd., vice-president Wood Alexander & James Ltd. and Robert Soper Ltd., and director Mercury Mills Ltd., has been elected a member of the Hamilton Advisory Board of The Huron & Erie Mortgage Corporation and The Canada Trust Company.

York Township Plan Prepared

Ratification Expected Before End of Current Year

Plan of refunding its debenture debt has been prepared by York Township, Ont., in conjunction with the Ontario Department of Municipal Affairs and a bondholders' committee. It is expected that it will be presented for ratification to the Ontario Municipal Board some time before the end of the year.

Outstanding debt of the township is $17.8 millions, of which $13,692,252 is the face value of debentures outstanding, which does not include debentures deposited as collateral. It does include $4,103,703 of bank debt, but does not include debenture debt guaranteed by the County of York.

The plan follows closely the pattern of previous refunding schemes placed in effect in other municipalities of the province; an exchange of new debentures for old and an extension of maturities; provision for carrying existing interest rates to maturity and 4½% thereafter.

Defaulted in 1933

The township is in default of principal on all debentures after Oct. 1, 1933, with the exception of debentures issued for collegiate institute purposes. Interest on matured debentures was paid at contractual rates until Jan., 1935, after which payments were made at 3%.

The plan of refunding provides for payment of the debentures debt over a period of approximately 40 years, with an annual payment of approximately $893,363. The township would make cash payments of debentures maturing in 1933, 1934 and to some not yet determined point in 1935. Necessary funds will be taken from the township's cash reserves.

66 2/3% of Arrears

Interest arrears are to be computed from the last full interest payment at the rate of 66 2/3% of contract rate to date of maturity and thereafter at 66 2/3% of 4½% rate. Interest already paid at rate of 3% will be deducted from payable amount.

The new debentures would be callable in whole or part at par, plus accrued interest in order of maturity. They would be callable on 60 days' notice on two named dates in the year. Principal and interest would be payable in Canadian funds only. The township would have the right to purchase its debentures at any time on the open market, or by private or public tender.

Bond Sales

Southampton, Ont.

Dyment, Anderson and Co. has purchased $9,500 of 4% 15-installment debentures of Southampton, Ont. at 101.50. The issue is dated Nov. 1, 1939, and matures 1940-54. J. L. Graham & Co. bid 101.275 for the debentures and Harris, McKeen & Gross, 100.65.

* * *

Hamilton, Ont.

Hamilton has sold $200,000 of 1¾% six month treasury bills to Wood, Gundy & Co. The issue is dated Nov. 1, and matures May 1, 1940.

* * *

Petrolia, Ont.

Burns Bros. & Denton has purchased a $13,390, 3% 1-5 year serial issue of Petrolia, Ont. at 99.29, representing a cost basis to the municipality of 3.25%.

* * *

Grand'Mere, Que.

From Our Own Correspondent

MONTREAL. — Town of Grand'-Mere, P.Q., has sold $152,000 of 15-year 4% serials at 99.57 to the Banque Canadienne Nationale and Harrison & Co.

* * *

Fort William, Ont.

Dyment, Anderson & Co. and Midland Securities Corp. have purchased $102,696 of 4%, 10, 15 and 20-year serial debentures at 100.27. Bids submitted follow:

Midland Securities .... Dyment, Anderson & Co.	100.27
R. A. Daly & Co.	99.52
Wood, Gundy & Co.	99.13
Mills, Spence & Co. .... Bank of Montreal	99.08
Cochran, Murray & Co.	99.074
P. H. B. Dawson	98.628
Bell, Gouinlock & Co.	98.30
Fairclough & Co.	97.43
Harris, Ramsay & Co.	97.375
Gairdner & Co. (option)	100.92

Alberta Boasts Cash Surplus

Province Makes Favorable Showing in First Half Year

The Alberta Government reports an increase in both revenues and expenditures in the six months ended Sept. 30 as compared with the same period last year.

Over-all cash surplus for the period amounts to $182,600, which is $976,484 less than in the six months ended Sept. 30, 1938. This decrease is mainly due to earlier transfer last year of profits of the Alberta Liquor Control Board and earlier receipt of contributions from the Dominion Government to unemployment relief in the period ended Sept. 30, 1938.

Cash receipts on ordinary account amounted to $12,447,480 in the six-month period, an increase of $241,312 over the similar period of 1938.

Ordinary Expenses Up

Cash disbursements on account of expenditures on ordinary account totalled $9,299,448, an increase of $457,455 over last year. In addition, the net outlay for unemployment relief was $1,145,684, leaving a cash surplus on ordinary account of $2,002,348. This is $516,740 less than in the same six months last year.

Net capital expenditures for the period were $1,819,748, an increase of $459,743.

Tax Revenues Increase

Tax revenue for the period was up $377,470 and receipts from licenses were $264,379 higher. The gain in tax receipts is in part due to earlier collections.

Net profit of the Liquor Control Board for the period was $1,279,648, an increase of $82,802. However, only $550,195 was transferred to the treasury as against $1,075,188 remitted in the corresponding period last year.

Debt Reduced

Net funded and unfunded debt at Sept. 30 is reported at $149,904,456, a decrease of $5,090,295 since the end of March. This is accounted for by payment by the Canadian Pacific and Canadian National Railways of the final installment of $5 millions on the purchase of the Northern Alberta Railways.

Gross funded and treasury bill debt shows an increase of $184,348 to $156,189,583.

Provincial saving certificates outstanding at Sept. 30 totalled $5,751,022, a decrease of $323,455.

Chartered Trust to Pay Extra Dividend of $1

Chartered Trust and Executor Co. has declared an extra of $1 a share on its capital stock, payable along with the regular quarterly dividend of $1 a share on January 2, to shareholders of record December 15. A similar extra was paid on Jan. 3, 1939.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Robt. Simpson ..	°5%	1952	Jan. 1 '40	105
Riordon Pulp ...	°6%	1942	Dec. 31	105
Eastern Car ...	‡6%	1952	Jan. 1	105
Preston E. Dome	6%	1943	Jan. 1	103
Can. Foundries ..	6%	1942	Feb. 2	110
Mississippi R. Pr.	†5%	1951	Jan. 1	105
Porto Rico Tel.	•6%	1944	Dec. 1	105

Drawn by lot for sinking fund, †$151,500; •$61,000: ‡$35,000; °$86,300.
°All outstanding balance.

B.C. Telephone Co. Sells More Bonds

Offering Is Disposed of Privately by W. C. Pitfield & Co.

From Our Own Correspondent

MONTREAL.—W. C. Pitfield & Co. has sold privately an additional issue of $1.5 million of 4½% series B first mortgage bonds of British Columbia Telephone Co. at 104 and accrued interest to yield over 4.20%.

Purpose of the issue is to fund in part capital expenditures made since 1930 upon plant and properties of the company.

Sale of the issue brings outstanding funded debt of the company, which consists entirely of first mortgage series B bonds, to $12.5 millions.

Offering price of the issue reflects the decline in bond prices since early this year. In March, W. C. Pitfield & Co. made an offering of over $2 millions of British Columbia Telephone bonds at 107. The price paid the company by the underwriters for issue just sold was 101 as compared with 103½ for the issue in March last.

Earnings of the company in the nine months ended Sept. 30, before charging bond interest, premium, repreciation, income taxes and amortization of bond discount, were $1,890,513.

A NEW ACT . . . . .

The Ontario Succession Duty Act of September 22nd, 1939, is a new Act. The general principles of this taxation remain unaltered but the previous Act has been largely rewritten. Important changes have been made in the taxation of certain gifts and bequests. ¶ This Corporation offers you its services in explaining the practical effects of the new Act . . . in estimating the probable amount of duty your estate will have to pay . . . in discussing with you and your solicitor the revision of your will. You will incur no obligation by your enquiries. *A booklet recently compiled, giving practical information on the new Act, will be gladly sent on request.*

THE
TORONTO GENERAL TRUSTS
CORPORATION

Assets under administration $237,000,000

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"GOLD STAR" GASOLINE
78 - 80 Octane

- Good Rich "GOLD STAR" Gasoline rates for quality and smooth power performance with ANY of the highest priced gasolines sold. YET WE DON'T CHARGE A PREMIUM PRICE for it. We sell it at 15 8/10c a gallon, plus tax.
- 78-80 octane means exceptionally high anti-knock rating

Start using "GOLD STAR" Gasoline today. It will bring out the best performance in any car . . . More mileage . . . Greater power.

Test It — You Be The Judge
We Save You 5c a Gallon

"BLUE STAR"
70 - 72 OCTANE
PRICE REDUCED
NOW 13 8/10¢
A Gallon (plus tax)

CONTAINS TETRAETHYL LEAD

"GOLD STAR"
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15 8/10¢
A Gallon (plus tax)

GOOD RICH OIL COMPANY
Canada's Largest Independent Oil Refinery

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721 Old Weston Road, cor. Rogers Road
2004 Dundas St. West
2376 Dundas St. West
4020 Dundas St. West at Lambton Bridge
1376 Bloor St. West
715 Bay St., cor. Gerrard
153 Dundas St. West
Spadina Ave., cor. Dundas
305 Sherbourne St.
96 Shuter, cor. Jarvis
399 Front E., cor. Cherry
3565 Danforth, at Warden

Company Stations at Windsor, Hamilton, Guelph, Acton, Brampton, Stratford, Welland, Whitby, Oshawa, Trenton, Belleville, Picton, Kingston and Sudbury. Also at dealers throughout the Province.

Meet the Emergency with
Westinghouse
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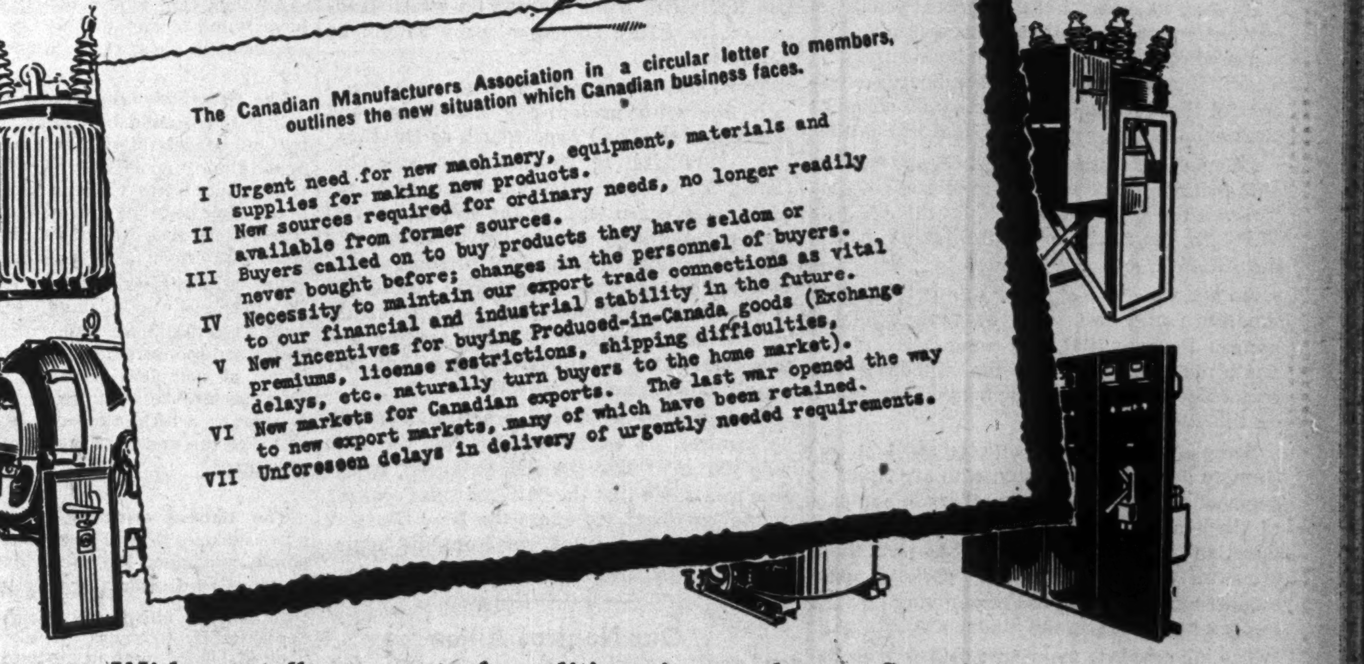

The Canadian Manufacturers Association in a circular letter to members, outlines the new situation which Canadian business faces.

I Urgent need for new machinery, equipment, materials and supplies for making new products.
II New sources required for ordinary needs, no longer readily available from former sources.
III Buyers called on to buy products they have seldom or never bought before; changes in the personnel of buyers.
IV Necessity to maintain our export trade connections as vital to our financial and industrial stability in the future.
V New incentives for buying Produced-in-Canada goods (Exchange premiums, license restrictions, shipping difficulties, delays, etc. naturally turn buyers to the home market).
VI New markets for Canadian exports. The last war opened the way to new export markets, many of which have been retained.
VII Unforeseen delays in delivery of urgently needed requirements.

With a totally new set of conditions imposed on it, Canadian industry must equip to produce new lines speedily and without fear of interruption. New plants, new processes and new sources of labour will demand the utmost from equipment. You can be sure of reliable electrical performance by specifying Westinghouse for generating, distributing and applying electrical energy. Call the nearest Westinghouse office.

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SPECIAL NOTICE
To the Shareholders of The
MOUNT ROYAL HOTEL
Company Limited

The proposed plan of re-organization sent out by the Directors of The Mount Royal Hotel Company Limited, dated November 10th, 1939, does not, in my opinion, disclose the true facts of the current financial position of the company to its shareholders (based on the plan as at date of its issue, namely November 10th, 1939) BY OVER ONE HUNDRED THOUSAND DOLLARS $100,000.00

(1) The improvement in the net current position of the Company from its operations for August 1939, exclusive of probable additional earnings from the Picadilly Club, was over..$ 40,000.00

(2) The improvement in the net current position of the Company from its operations for September 1939, exclusive of probable additional earnings from the Picadilly Club, was over ....$ 25,000.00

(3) The improvement in the net current position of the Company from its operations for October and the first ten days of November is not available.

(Signed) C. A. RIPLEY
276 St. James St. West,
Montreal, Que.
A substantial shareholder of the Company.

Dated
November 21st, 1939

NOTE: The above statements are based on facts obtained from certified Auditors Certificate, based on statements of The Mount Royal Hotel Company Limited.

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

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Published by
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481 University Avenue, Toronto 2.
Founder and Chairman—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
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H. VICTOR TYRRELL

ADVERTISING RATES
Single insertion—$4.20 per inch.
Contract rates upon request.

SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London—Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1, Telegraphic Address, Atabek, Lesquare, London.

TORONTO, NOVEMBER 25, 1939

The Financial Post Editorial Platform for Canada

Winning the war has become the focal point for national and personal effort in Canada. This requires full mobilization of the nation's material and spiritual resources. To the fullest degree this should be obtained by individual effort, freely made. Strong national leadership will inspire service and sacrifice that will reduce the need for regimentation and compulsion.

The Financial Post believes such objectives require:

1. *Strengthening cabinet leadership by drawing upon Canada's best executive brainpower irrespective of political considerations.*
2. *Elimination of public and private waste.*
3. *Pay-as-we-go financial policy.*
4. *Planning the war effort with the post-war as well as the emergency needs in mind.*

In achieving these objectives the spirit of sacrifice and unity in Canada can be used in finding sound, long-term solutions to problems left unsolved in the idle days of peace.

Defense Department Replies

ELSEWHERE The Financial Post publishes in full a statement made by the Department of National Defense in "reply" to a recent article on West Coast defense contracts.

By this statement the department stands condemned out of its own mouth.

The Post is criticized for speaking of five cost-plus contracts. The department says there were eight. The situation is therefore just 60 per cent worse as respects such contracts.

The Department defends the system of machinery rentals used in some of these contracts. But it admits that payment of these rentals was questioned by the officers of Military District No. 11, by the Auditor-General and by the Chairman of the Defense Purchasing Board. It admits that rentals on the extraordinary basis provided were paid. It admits that the whole system of charging double and triple shift rentals is now under review.

It charges The Financial Post with being "definitely and deliberately misleading" in referring to Brigadier W. W. Foster as the "central figure" in Pacific Engineers, Ltd., one of the contractors. Yet it says the statement is "not exactly incorrect."

The Post has cited the facts to show that Brigadier Foster holds stock control of Pacific Engineers. Obviously then the statement is not only "not exactly incorrect" but it is fair, accurate and unchallengeable.

These contracts and all other defense contracts should, as the Winnipeg Free Press urges, be sweepingly investigated.

War of Alphabets

SOME day this war may be known as the war of the alphabets.

By that we mean that the present conflict is currently shaping itself as an economic conflict—a conflict of wheat, copper, oil and currency; a conflict in which the alphabetic boards which control these financial and economic weapons rank equally if not ahead of blood and battles.

Canada has already a goodly parade of alphabetic soldiers with which to win the war. There is the W.S.B., the F.E.C.B., the A.T., the W.P.T.D., the S.L.B., the A.S.B., the V.S.R.B., the A.C.E.P., and many others.

As yet we don't emulate our neighbors to the south and call them by their alphabet names. Perhaps that may come later. If you don't recognize some of the alphabets our cartoonist has named a few for you elsewhere on this page.

Some of the most brilliant civil servants this country has produced—men who are equal or superior to their opposite numbers in any part of the world—are already enlisted "for the duration" in this alphabet war. As well, there are well over one hundred "dollar-a-year" business and professional men giving equally important service on the alphabet front.

The job now is to make sure that each alphabet battalion gets into action as quickly and efficiently as possible and with the least possible disturbance to peacetime procedure and activity. It is equally important that the work of each alphabet unit is co-ordinated with the other. Neither alphabets nor army corps can win battles unless their efforts are unified, coordinated.

War Income Tax Too Restricted

SIX-MONTHS' figures issued by Ottawa a few days ago show that $111 millions was collected in income tax returns in the current fiscal year. This figure exceeds by $30 millions any other single source of revenue. It is more than one third of the total monies collected by the Government in the period.

This money comes almost entirely "from the top." Two thirds of it is collected from corporations. Of the remaining third, all but $10 millions comes from a handful of Canadians (about 7,000 in 1938) with taxable incomes of $10,000 or over. These 7,000 persons paid income tax on their individual incomes amounting to over $30 millions in the last year for which detailed figures are available.

The total number of individual income taxpayers in Canada is little more than 200,000 persons. This means that only one worker out of every 14 (exclusive of farmers and laborers) pays any income tax in Canada. Present exemptions as they now stand leave out about half a million heads of families earning between $1,000 and $2,000. Omitted also are a million single Canadians earning less than $1,000.

One way of bringing the seriousness of Canada's war effort to the attention of the average Canadian wage-earner would be to broaden the income tax base. This could very readily be done by lowering the statutory exemptions of $2,000 for married men and $1,000 for single persons. In England the exemption was recently cut to $600 for single persons and to $850 for married citizens.

Ottawa expects to raise a very large share of the cost of financing the war by means of special income and profits taxes. These will bear very heavily on the few but will leave untouched the great bulk of wage-earning Canadians. If the income tax base were broadened, as suggested, there would be a greater interest by wage-earners in government spending. There would be more inclination by the man-in-the-street to take a personal interest in the way governments were spending his money, both as to wartime and ordinary expenditures.

Army Cooking

AT 40 cents per man per day, it is costing Canada about $350,000 a month to feed the soldiers of our two active service divisions.

How is this money being spent? Is the army getting good value for its food dollars? Are the men getting the most benefit and enjoyment out of the food now being bought?

Apparently not; a recent independent check disclosed that the army paid on one order 20 cents more per 90-pound sack of potatoes than the "going" rate of first-quality product. Those who have had a chance to look at army food requisitions report them wholly inadequate, "laughable" in light of modern dietary requirements and practice.

Then, too, the lack of trained army cooks and the continued use of obsolete cooking equipment and utensils means that when good food is purchased (and most army food is good) much of its nutrition value is lost. This has obvious detrimental results on the efficiency and health of the armed forces.

At present, Canada is lagging far behind common practice in the armies of chief belligerent nations. She is lagging even farther behind the nutrition standards reached in civilian life. The vast fund of post-war knowledge on nutrition and feeding gained in the past 20 years is presently being ignored except in isolated cases. The constructive experiment of an army chef training school at Brampton under the direction of Lt.-Col. Louis Keene and the expert planning, cooking and training facilities set up at Exhibition Park, Toronto, to feed the Toronto Scottish Regiment, point the way in which feeding of the entire Canadian army should be handled.

To co-ordinate army feeding and bring it into line with present-day knowledge and practice, a qualified expert such as Dr. Frederick F. Tisdall of Toronto, unquestionably Canada's foremost nutritionist, should be co-opted as a consultant by the Department of National Defense. Under his direction and using the advice of competent persons, an up-to-date educational programme could be worked out to instruct army cooks, co-ordinate the administration of army feeding and give assistance to quartermasters, district supply officers and other officials.

Such a plan would be practical, efficient, economical. It would ensure that the men who join up would get well-balanced, enjoyable meals and that the "hit-and-miss cooking of the last war" (to quote the New Glasgow News) would be ruled out from the beginning.

Our Neutral Allies

IN THIS ambiguous war, now in its twelfth week, a significant aid to the Allied cause is the firm stand being taken by the small neutral nations. Few are bold enough to essay the task of reading the minds of Stalin and Hitler, but the mind of the smaller neutral nations is becoming increasingly clear. One by one they are stiffening in their resistance to the dictatorships. This is a fact of great importance and comfort to the democracies.

One of the most potent and disturbing facts about the European situation prior to the outbreak of war was the manner in which small neutral nations were being forced, one by one, to "stand and deliver" at the dictates of Nazi gangsterism. While the Nazi forces were sweeping over Poland and when the Russian bear emerged from his long hibernation to reveal himself in his true colors as a land-hungry vandal, this fear of the consequences of non-co-operation on the part of smaller neutral nations stood as a grave and gloomy threat to freedom-loving peoples.

Now the balance is turning.

The firm stand of Turkey has created a strong bloc of Allied support in the Balkans. The courageous resistance of Finland to Soviet demands in the Baltic gives great encouragement that the covetous Stalin will go unsatisfied in the North. In addition an increasing number of smaller neutrals are now unwilling to expand their trade with Germany on "frozen balance" terms.

Since their fears are abating that Nazi dictators can force them to sell goods on such a basis, Germany is in the position of either producing the cash or else going without the supplies.

Allied diplomatic activity has been working steadily and with increasing success to prevent the Nazis from securing a privileged trade position with these neutral nations. The increasing success of this policy is a bastion of growing importance to the democratic cause.

The Canadian Editorial of the Week

Canada Profits

Brockville Recorder and Times

Another illustration of the manner in which Canada is continuing to gain from Germany's invasion and annexation of Czecho-Slovakia is afforded by the announcement that a fancy glassware concern in which former residents of that country are the principals has decided to become re-established at Oshawa, where it will soon begin to furnish employment to at least 100 hands in a large factory, the construction of which is about to be undertaken. This firm is well supplied with funds, as are most of the other concerns which have moved from Czecho-Slovakia to Canada. It is asking very little from the city of Oshawa in the way of concessions. It is buying a tract of 13 acres from that city and two private individuals and it will erect its own factory building without financial assistance.

Of the 100 people who are to be employed by this group only a few skilled key operatives will be Czecho-Slovakians. The remaining workers will be recruited from Oshawa and elsewhere in Canada. Not one of the articles which it will make will compete with the products of factories already established in Canada and transfer of the industry to this country simply means that it will step into an existing market in the Dominion as well as throughout the Empire which will now be served from Canada instead of from Czecho-Slovakia.

Canada is able to count numerous gains as a result of the Nazis' annexation of Czecho-Slovakia. Not only has it acquired agricultural colonies which are already in successful operation in the Peace River district, in western Ontario, near Prescott and elsewhere throughout the Dominion, but it has obtained a number of most promising industries such as the Bata works at Frankford, the Fischl plant at Prescott, a woodworking concern at Owen Sound and now a fancy glassware factory at Oshawa, with others that might be mentioned and still others that have yet to be located. Processes that are old to central Europe but new to Canada are thus being transferred to this Dominion and the limited number of skilled workers accompanying these factories will be able to train native Canadians in the same arts and crafts with great benefit to the industrial structure of the Dominion and considerable influence upon the future export business of this country.

It is not merely chance that has brought these industrial concerns to Canada and that will bring others at the first opportunity, for those identified with them know that this is a free country where one does not need to fear aggression on the part of international neighbors. They know, too, that in its favorable trading arrangements with the rest of the British Empire, there is an excellent opportunity for manufacturing concerns to cultivate the export trade as well as to take possession of the home market. They must also know that Canadian labor is highly adaptable and will soon master the processes involved in their manufacturing operations, strange though many of these may be to Canada, and that in its shipping facilities and its plentiful supply of cheap electrical power it possesses other advantages which cannot fail to appeal to industrialists.

Editorials in Brief

New York is rejoicing in the new "squared" and packaged milk bottles which hold two quarts of liquid and save the customer three cents on every package. The saving is a real one which goes directly to the consumer but does not penalize either the producer or distributor.

Another case where invention and ingenuity have found a way to help the farmer and the consumer to cheaper, more abundant living.

* * *

The Brampton Conservator commends as "an article that should be widely read in this country" our recent editorial reference to the double-dealing and hypocrisy with which the magazine Liberty publishes vitriolic anti-war propaganda in its American edition and at the same time prints honeyed words of exhortation about Canada's war effort in its Canadian sheet.

The publishers of this periodical apparently feel no shame in publishing week after week two magazines under the same name, with the same editor and sponsorship, yet voicing principles and ideals at complete variance with each other. They pretend to see nothing ethically wrong in a practice which almost every self-respecting editor on this continent would condemn as utterly repugnant.

* * *

The Babson organization sent out a high-powered sales talk to present and potential Canadian customers the other day. The opening sentence read something like this:

> "Canadian business is scoring one of the most sensational advances in history. Industrial activity is today at an all-time high. It should continue to rise through domestic expansion and under the stimulus of future purchases of Europe."

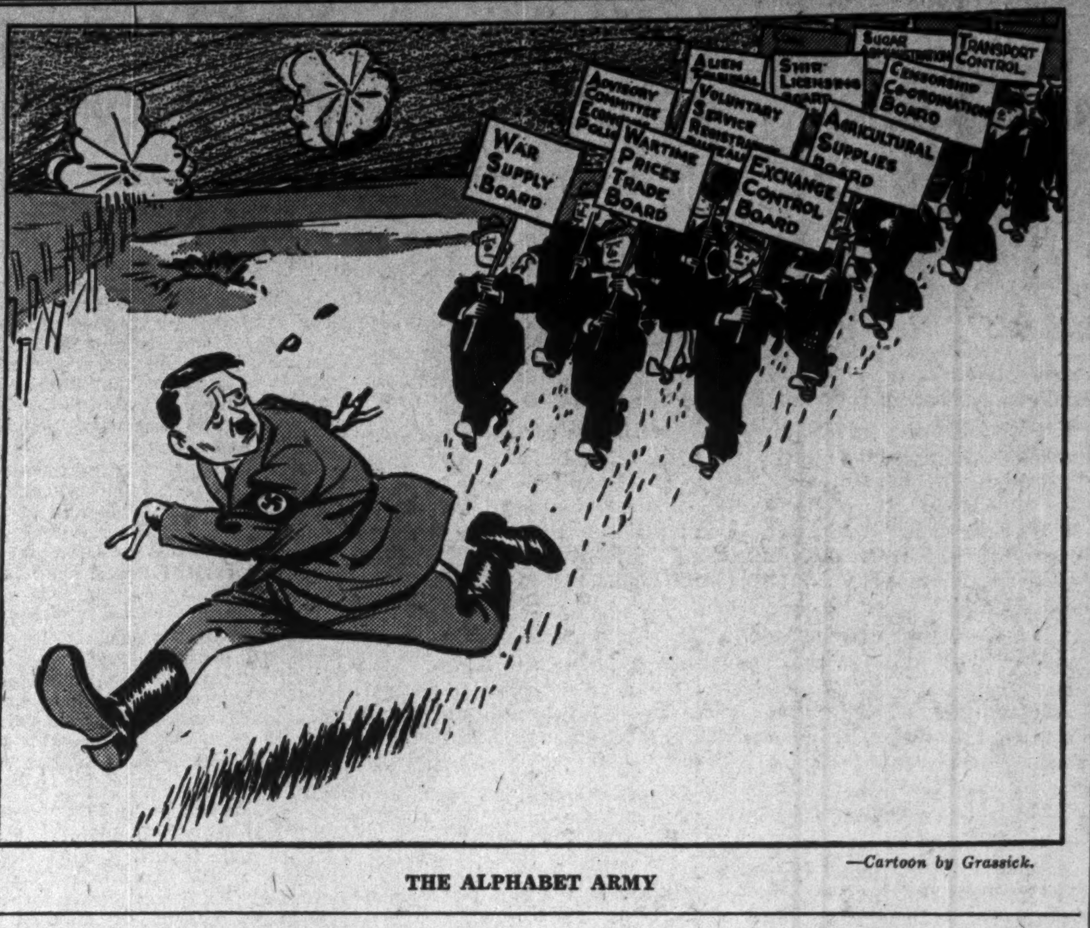
We would have had more confidence in this forecast had we not just finished reading a copyright newspaper article by Roger W. Babson. It was headed: "FEARS PANIC IN THE DOMINION—Babson sees signs that public will be left 'holding the bag.'" In the body of the article Mr. Babson warned against a post-war panic which he forecast as probable "especially in Canada."

* * *

Two or three newspaper correspondents at Ottawa seem to have "discovered" all at once that it was the two enquiries into the Bren gun contract that "paralyzed" the department of national defense and made it impossible to order clothing and other supplies for Canadian troops.

It would seem that some people, whose cheeks must be burning with the humiliation of the public exposure of their inefficiency, are more successful in getting out propaganda to cover up their deficiencies than they were in preparing Canada for the emergency.

As a result of the exposure of the Hahn contract, Ottawa's defense activities were speeded up and a more businesslike method of placing contracts was introduced. Had sloppy methods—and worse—not been exposed, blundering and waste might still be as prevalent at Ottawa as before.


SUGAR ADMINISTRATION
TRANSPORT CONTROL
ALIEN TRIBUNAL
SHIP LICENSING BOARD
CENSORSHIP CO-ORDINATION BOARD
ADVISORY COMMITTEE ECONOMIC POLICY
VOLUNTARY SERVICE REGISTRATION BUREAU
AGRICULTURAL SUPPLIES BOARD
WAR SUPPLY BOARD
WARTIME PRICES TRADE BOARD
EXCHANGE CONTROL BOARD

—Cartoon by Grassick.

THE ALPHABET ARMY

Post-Scripts . . . . .

Fourteen Budgets

Silver-haired Hon. John Hart, Minister of Finance in the British Columbia Government, holds a somewhat unique record in the realm of public finance in Canada.

Recently, he rose in the British Columbia Legislature to present the provincial budget for his fourteenth time. No other Minister of the Crown in Canada has prepared as many as 14 budgets.

Then, again, this is not the first time he has had to present a provincial war budget. During the latter years of the Great War, Mr. Hart also guided the treasury policy of the British Columbia Government.

He is one of the few Ministers of the Crown in Canada who was also in office during the Great War. One of the others is his leader, Premier T. D. Pattullo, who was Minister of Lands in the British Columbia Cabinet from 1916 to 1928.

Another feather in Mr. Hart's cap is the fact that he is the only finance minister or provincial treasurer in the Dominion who has had the benefit of a financial training. In private life, he is managing director of Gillespie, Hart & Todd Ltd., a Victoria and Vancouver investment firm.

* * *

Born in Ireland 60 years ago, he came to Canada in 1898. His business career in Canada started as a clerk with Robert Ward & Co., Victoria. From 1903 to 1909 he was connected with the insurance department of R. P. Rithet & Co., Victoria. In 1909 he went into the financial business and in 1910 the partnership of Gillespie, Hart & Todd Ltd. was formed and has continued since.

Mr. Hart was first elected to the British Columbia Legislature in 1916 and became Minister of Finance in 1917, which portfolio he held until 1924 when he resigned to assume the managership of the Vancouver office of Gillespie, Hart & Todd Ltd. He was re-elected to the Legislature in 1933 and immediately took over the finance portfolio once again.

As Minister of Finance during the past six years he has been faced with one of the most difficult financial problems in the history of the province. When he took over the finance portfolio in 1933 the credit of the province was at low ebb. In fact, many financial men feared the province would have to default.

The situation today presents a marked contrast. British Columbia's finances have been rehabilitated and its credit standing greatly improved. This year the province was able to enter the money market and secure loans at the lowest rate in its history. To a very large extent, the improvement is due to the genius and careful administration of Finance Minister Hart.

* * *

Contest Coincidence

Here is an example of a most unusual set of circumstances in which The Financial Post's recent contest was indirectly responsible for an accident and promptly came to the rescue.

S. C. Scobell, who won the first prize in the contest and whose article was published in the Nov. 18 issue of The Post, did not write his entry until the Sunday before the closing date. "Sid" spent Sunday at his Senneville home in writing it out and brought it to the office on Monday for final revision. His wife came in with the car that night to drive him home. The return journey would have been uneventful, except for a telegraph pole that got in the way: result $250 of work to put the car back into running order. His insurance policy covered all damages over and above $100, so that Sid was faced with the prospect of digging up $100 to cover his share of the garage bill.

The time for submitting the entry was getting rather short and his secretary was asked to do special work on it. In asking her to do this, Sid, half-seriously and half-jokingly, told the young lady that she could have 25% of his "winnings."

So when the mail was opened last Wednesday and Sid found that he had won The Financial Post's contest, his first reaction was one of pleasure and no little pride; his second, that the "windfall" would pay for the damage to the car; and third that he would have to give up $25 to his secretary. (Ed. note: he paid his secretary the $25.)

* * *

An aftermath of the contest is not without interest. The afternoon The Financial Post came out with the prize-winning article, Sid looked around the office for a copy. Usually his firm secures two or more copies of The Post each week and at least one copy is available for reference. This time all the copies had disappeared. He put on his hat and went out to the nearest news stand and asked the "newsy" for a copy of the paper. The dealer said: "What in H—— is in The Post this week? I've had to get another 50 copies to meet the demand."

"That's easily explained," was the reply, "The Post printed my article on How to Invest in Wartime."

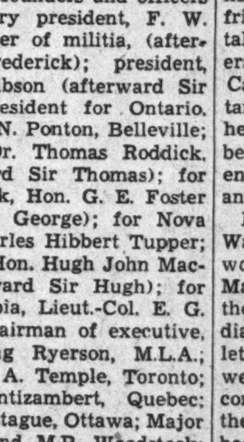
Whereupon the dealer opened up the paper and looked at the article. After studying it for a moment he said: "I'm going to take a copy home tonight and read your article. If I find it interesting I may come in and see you tomorrow. I have between $20,000 and $25,000 to invest and would like a little advice."

And a logician might have said that if Sid hadn't entered the contest; hadn't won the first prize; and hadn't gone out of the office to get a copy of The Post; and hadn't gone to the "newsy" for the extra paper, he would never have known that selling newspapers on St. James Street is a profitable business and makes potential clients for brokers who buy papers from newsdealers.

* * *

Red Cross Founders

All of us are aware of the important function which the Red Cross performs in time of war. In the nation-wide campaign to finance this traditionally-splendid work and the self-sacrificing services of the workers, there have been numerous historical references to the earliest founders.



COL. J. B. MACLEAN

The only two of the original founders of the Canadian Red Cross Society now living are Lt.-Col. John Bayne Maclean, founder and now Chairman, The MacLean Publishing Company, and Lt.-Col. Dr. J. E. Elliott of Toronto. Dr. Elliott was medical officer to the 9th Field Battery at the time.

The original founders and officers were: Honorary president, F. W. Borden, minister of militia, (afterward Sir Frederick); president, Hon. J. M. Gibson (afterward Sir John); vice-president for Ontario, Lieut.-Col. W. N. Ponton, Belleville; for Quebec, Dr. Thomas Roddick, M.P. (afterward Sir Thomas); for New Brunswick, Hon. G. E. Foster (afterward Sir George); for Nova Scotia, Sir Charles Hibbert Tupper; for Manitoba, Hon. Hugh John Macdonald (afterward Sir Hugh); for British Columbia, Lieut.-Col. E. G. Prior, M.P.; chairman of executive, Dr. G. Sterling Ryerson, M.L.A.; council, Dr. J. A. Temple, Toronto; Dr. Fred Montizambert, Quebec; Hon. W. H. Montague, Ottawa; Major James Sutherland, M.P., Woodstock; Dr. C. R. Dickson, Toronto; Dr. J. G. Hodgins, LL.D., Toronto; Major (now Col.) John Bayne Maclean, then of Montreal; Dr. Charles O'Reilly, Toronto; E. H. Smythe, K.C., Kingston; Lieut.-Col. James Mason, Surgeons-Major Grasset, Nattrass and Dr. J. E. Elliott, Toronto; with Dr. C. A. Hodgetts as secretary.

* * *

The man who above all others deserves the thanks of Canadians for the great work the Red Cross and St. John Ambulance have done through the years, was the late Major-General George Sterling Ryerson. He made heavy personal sacrifices in doing so. For this he has never received the national recognition he deserved. From time to time credit is given to various other persons.

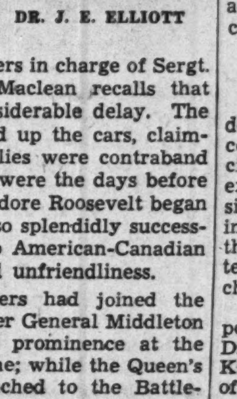
Stop Me If . . . .

Stenographer: How do you spell 'sense'?

Employer: Dollars and cents or horse sense?

Stenographer: Well, like in "I ain't seen him sense."

The first Red Cross work done in Canada was in 1885, when two committees were formed to send comforts to the Toronto regiments in the North-West rebellion. Two carloads were shipped via Detroit over U.S. railways—one car to the Queen's Own Rifles in charge of Capt. Hume Blake, son of the great Liberal leader, and the other to the 10th Royal Grenadiers in charge of Sergt. Mowat. Col. Maclean recalls that there was considerable delay. The Americans held up the cars, claiming these supplies were contraband of war. These were the days before President Theodore Roosevelt began his campaign, so splendidly successful, to clear up American-Canadian differences and unfriendliness.



DR. J. E. ELLIOTT

The Grenadiers had joined the main body under General Middleton and came into prominence at the Battle of Batoche; while the Queen's Own were attached to the Battleford Column under Colonel Otter. Assistant-Surgeon G. Sterling Ryerson was the Grenadier's medical officer. Middleton (afterward Lt.-General Sir Frederick Middleton) had an unusually distinguished army career in India and in most parts of the Empire. He was one of the first army officers of high rank to appreciate the very great importance in war of the medical services and nursing. At that time surgeons had not military rank. He encouraged Dr. Ryerson, himself an enthusiastic and very energetic officer.

* * *

A few months after their return from the North-West, Ryerson invited the Grenadiers officers to his house and proposed forming a regular Ambulance Corps. Strange to say, there was some opposition. There were still officers who felt that because the British Army had successfully defeated Napoleon without ambulances they did not need them in these days. Ryerson persisted and developed what was perhaps the first stretcher-bearer section in Canada.

Sir Frederick Middleton later put him in touch with the British Red Cross and the Order of St. John of Jerusalem in England. With their approval and recognition he began his work. He had two intimate friends, Major Gibson, 13th Battalion, Hamilton, later Major-General the Hon. Sir John Gibson, and Captain J. B. Maclean, then Adjutant of the Grenadiers. About 1888-9 he got them together and the three began laying foundations of the present Red Cross and St. John Ambulance.

It was not until the South African War in 1899 that any real Red Cross work was done in Canada. Colonel Maclean, at that time commanding the 17th Duke of York's Royal Canadian Hussars, Montreal, received a letter from one of the Hussars who went out with the first Canadian contingent—Norman Barclay, son of the late Rev. Dr. Barclay. He had been wounded and casually mentioned that the British Red Cross felt that the British had no responsibility for Canadians and they were neglected. They had all they could do looking after the Imperials. Barclay suggested something might be done from home. Colonel Maclean at once went to Toronto. The three, Gibson, Ryerson and Maclean, met at Ryerson's house. Ryerson was urged and finally consented to go himself as soon as possible to South Africa.

It was a serious matter for him; he was giving up a splendid practice, not only in Toronto but provincial in character, many of the out-of-town physicians sending their patients to him as a consultant.

The country was at once organized for the first time for active work. Under Ryerson, the Canadian Red Cross proved a most valuable aid in South Africa. Among the prominent Canadian officers in Africa was one who had always shown marked unfriendliness to Red Cross and Ambulance work. He was a good man—a perfect barrack-square colonel. He was not at all helpful to Ryerson. Quite badly wounded, however, he came under the care of the Candian Red Cross. To his credit, he expressed deep regret for his previous attitude and from that time on he was a very cordial supporter and a good friend of General Ryerson.

* * *

When the Great War came General Ryerson was president and H. R. H. the Duke of Connaught was Governor-General of Canada. The Duchess was a daughter of Prince Frederick Charles of Prussia. This fact was exploited by Russian and German agents in extensive whispering campaigns. A very difficult position, but the Connaughts met it with remarkable tact and wisdom. Their daughter, Princess Patricia, became still more beloved by all Canadians.

As a special recognition of this, a suggestion came to Ryerson in 1915 that he retire from the Presidency in favor of Her Royal Highness. To this he at once agreed. General Ryerson, of course, carried on the detail work of president until he went to France for the Red Cross. He suffered severely. His wife went down on the Lusitania. His eldest son was killed in action and his youngest, Arthur, (called after the Duke of Connaught) was severely riddled by machine gun bullets.

Through the years the Canadian Red Cross has been very fortunate in having such splendid men and women ready and willing to give their best; making every personal sacrifice. This is now becoming more fully recognized in the cordial sympathetic support being given across the Dominion to Norman Sommerville, K.C., now president. His practical experience in the last war and through the years, is today giving Canadians the benefit of his so generous and valuable service.

Other People's Views . . . . .

Britain's War Aims

Manchester Guardian

If, then, the world wants to know why Great Britain is at war, the answer is three-fold. She is fighting, as every threatened state must fight, for her own security. She is fighting, as a people that has drawn so freely on Europe for light and culture, for fame and wealth, in honor bound to fight, to guard Europe's liberties.

If today she can only defend Europe by using her reluctant strength upon the seven seas, she is fighting, we hope, for this dream of a nobler future when she can serve Europe by using all her knowledge, experience, and sympathy to aid the common purposes of mankind.

Magnificent Service

Ottawa Journal

Let's not forget our own civil service; the men who, taking on extra desperately hard tasks, are working their hearts out night and day to serve us. Offhand, we think of a few of them: Towers and Gordon of the Bank of Canada; McKinnon and Hebert of the Wartime Prices Board; Clark of Finance; Coats and Norman Robertson and O. D. Skelton and Hugh Scully and David Sim—with many others.

These men are doing a magnificent job for Canada. In distinguished ability, in integrity, in loyalty and devotion to Canada, they rank with the best minds of any civil service in any country anywhere.

These men have no intention of fastening bureaucracy upon us. Racy of our soil, with the democratic tradition in the very core of them, they are as much concerned as the rest of us to preserve our liberties. It is because of liberty, of their passion for and understanding of it, that they are serving us so magnificently.

As Others See Us . . . . .

Important Charges

St. Catharines Standard

The Financial Post charges that patronage is only part of the issue which has been raised against the Government. The independent newspaper, of high standing says: "Political favoritism has been rampant but so have wasteful, unbusinesslike methods in awarding contracts, weakness and carelessness in the administration of defense."

The Post continues to give chapter and verse the burden of its complaints, the material for which has been gathered by its own staff and at its own expense. Charges as made cannot be dismissed lightly.

Defense Contracts

Prince Rupert Empire

The Financial Post, in considerable detail, prints interesting disclosures concerning the construction of Pacific Coast defenses. It is stated, for example, that three firms were given sixteen contracts. Certain illuminating particulars are given, respecting the utilization of the cost-plus system. Another item deals with machinery "rentals."

Perusal of the articles gives some point to the recent questioning by Dr. Manion, when he asked Premier King about public works, and friends of the administration.

An Army's Stomach

New Glasgow News

An editorial writer of The Financial Post has been sampling army foods—at army tables. His reaction was satisfactory, and he was impressed enough with the turnips served him to write an editorial on them. . . . he noted the importance of serving men good food and suggested the army would do well to draw upon the experience of big food firms of Central Canada which cater to construction crews, etc., and who know how to feed men by the thousands and keep them happy.

The suggestion is a good one but could be added to. With little of the new battle equipment to practice with, we think the army should concentrate on food problems, set up schools at which cooks could be given a complete training in what to do with the foods that come their way. Undoubtedly there has been improvement in the technique of serving army food in other countries where its importance in keeping the troops healthy and contented has been recognized. We have the facilities and raw materials here to go ahead at once. A cook's college might not be academic, but it could do wonders.

The men who join up are entitled to the very best and the hit-and-miss cooking of the last war should be ruled out from the beginning.

Week in Business

Power Demand Gains As Industry Expands

Consumption in Niagara System of Ontario Up 13% — Index of Business Activity Passes High Point Reached in 1937

Rise in The Financial Post Business Index to 127.2 for October, well above the highest point reached in 1937, indicates the extent of the improvement in business in Canada. The advance is based on gains in the vast majority of the major indices, and indicates that the revival in trade and industry which took place in September was carried forward into October.

While the latest figure, for October, shows a sharp advance over the preceding month, the business recovery has been in progress for some time, as is indicated by the monthly figures as follows:

1939						
Oct.	Sept.	Aug.	July	Mar.	Oct. 1938	Oct. 1937
127.2	122.6	121.0	119.8	112.1	115.7	124.3

* * *

One of the most important specific instances of improvement is in the production figures of the Hydro-Electric Power Commission of Ontario. These show a gain of over 13% in power consumption for the month compared with a year ago, in the area served by the Niagara system. This includes the most highly industrialized sections of the province and indicates a much higher degree of industrial activity than a year ago.

Expansion of industrial operations is not confined to the one area, as is evidenced by the expansion of over 12% in the figures for the Ontario Hydro system as a whole. The increased demand for power is a result of the greater activity in industry throughout the province.

* * *

Another basic industry in which there has been considerable improvement is newsprint. Operating ratio of all mills in October was 77.5% of rated capacity, the highest for any month since December, 1937. The outlook in this branch of activity continues favorable both as regards prices and the demand from consumers.

Further indications of increased industrial activity is the exports of lumber in October, which were approximately 70% ahead of last year.

Higher rubber consumption is indicated by expansion of over 50% in crude rubber imports. Related to this is an expansion in automobile production, the output of passenger cars and trucks being 67% greater in October than a year ago.

Results of improved business are also reflected in the reports of the chartered banks coming forward. These are showing higher earnings this year than a year ago, while the general trend of comments obtained from bank executives indicate that there is a much better tone in business.

Business Indicators

Current business shows improvement with The Finacial Post Busi-Index rising to 127.2 in October. D.B.S. index of business activity for week ended Nov. 11 slightly lower than in previous week.

Carloadings for week ended Nov. 11 slightly above last year, total for year to date up 3%.

Railway earnings for both main roads for second week in November above last year. Totals for year to date up 10% and 5% for C.N.R. and C.P.R. respectively.

Automobile production higher in October for both trucks and passenger cars, over 1938. Financing of new cars lower, but higher for used cars.

Crude oil production for ten months to October 4% above 1938.

Lumber exports show increase of almost 70% in October over last year. Total for 10 months up.

Rubber imports increase over 50% in October. Cumulative for 10 months 30.6% above last year.

Cigarette consumption rises 25% in October above year ago.

Trend of business shown by The Financial Post Index and following key factors, new items for the week being marked thus ▲.

	Nov. 11	Nov. 4	Oct. 28	Oct. 21	Nov. 12/38
Commodity prices	79.1	79.0	79.0	79.0	73.5
Weekly index	103.1	104.7	105.5	105.1	106.5
	Oct.	Sept.	Aug.	July	Year Ago
Financial Post index	▲*127.2	122.6	121.0	119.8	115.7
Retail index no. of sales	....	87.4	81.8	83.7	80.8
Dept. store "	90.1	86.4	73.1	77.3	77.3
Wholesale "	....	141.7	102.6	92.1	106.7
Country (% change fr. last yr.)	....	+12.1	—2.2	—6.2	—3.9
Employment D.B.S. Index—	Oct. 1	Sept. 1	Aug. 1	July 1	Year Ago
All industries	121.7	119.6	117.5	115.8	116.7
Manufacturing	119.7	115.3	112.8	111.3	112.5
Wage earners No. (000)	....	....	2,461	2,419	2,378
Living costs	....	$17.02	$17.02	$16.93	$17.41
			Jan. 1 to date		%
Railways—	1939	1938	1939	1938	Change
Carloadings, week (Nov. 11)	▲54,721	51,221	2,194,195	2,130,350	+2.9
C.N.R. gross, week (Nov. 14) $	▲4,525,404	3,851,084	173,430,522	158,135,636	+9.6
C.P.R. gross, week (Nov. 14) $	▲3,410,000	2,945,000	129,124,000	123,485,000	+4.5
C.P.R. net revenue (Sept.) $	5,821,955	3,651,406	12,705,409	7,330,793	+73.3
C.N.R. net revenue (Sept.) $	6,304,642	2,661,439	6,652,354	•2,455,254	....
Iron and Steel (Sept.)—					
Pig iron production (tons)	65,954	49,972	487,982	554,845	—12.0
Steel ingots and castings prod. (tons)	124,384	73,556	937,693	911,005	+2.9
Automobiles (Number)—					
Passenger Cars:					
Domestic sales* (Sept.)	4,947	3,831	68,821	75,434	—8.8
Factory output (Oct.)	▲7,791	5,412	87,433	94,140	—7.1
Trucks and Buses:					
Domestic sales* (Sept.)	1,808	1,879	19,847	22,129	—10.3
Factory output (Oct.)	▲1,849	362	32,493	35,340	—8.0
Exports (Oct.)	▲1,213	2,946	48,921	50,049	—2.2
Financing (Oct.):					
Used $	▲2,867,444	2,549,356	29,975,021	31,894,065	—6.0
New $	▲1,708,896	2,035,587	23,623,493	29,711,589	—20.5
Construction—					
Contracts awarded (Oct.) $	14,228,100	18,111,000	165,010,000	161,572,700	+2.1
Cement, bbls. (Aug.)	841,736	713,315	3,573,338	3,531,372	+1.2
Agriculture—					
Flour prod., bbls. (Sept.)	1,927,102	1,639,231	11,237,113	9,182,119	+22.3
Flour exp., bbls. (Oct.)	444,144	528,601	3,866,648	3,068,926	+26.0
Wheat exp., bush. (Oct.)	16,848,847	24,579,370	107,856,939	76,492,261	+41.0
Cattle sales (Oct.)	125,141	93,902	677,987	638,279	+6.2
Hog sales (Oct.)	118,484	63,589	594,808	569,220	+4.4
Sea Fisheries: (September)‡					
Catch, cwts.	903,900	1,492,500	7,459,020	7,121,710	+4.7
Landed value $	1,887,500	2,535,300	13,779,480	14,631,510	—5.8
Newsprint (tons)—					
Production (Oct.)	280,985	254,872	2,339,884	2,169,532	+7.8
Exports (Sept.)	228,162	195,586	1,878,939	1,719,318	+9.2
Mining and Oils—					
Coal prod., tons (Sept.)	1,344,972	1,117,289	10,455,919	9,887,283	+5.7
Coal imports, tons (Sept.)	1,744,468	1,559,285	8,829,683	9,481,004	—6.8
Gold prod., fine oz. (Aug.)	449,207	416,317	3,381,717	3,056,072	+10.6
Nickel prod., lb. (Aug.)	20,123,078	16,573,105	150,085,845	143,157,462	+4.8
Copper prod., lb. (Aug.)	54,039,671	47,917,545	400,711,715	380,090,805	+5.4
Crude oil prod., bbls. (Aug.)	795,844	825,548	5,066,251	4,448,837	+13.8
Crude oil, imp., bbls. (Oct.)	▲4,746,000	3,640,000	31,400,657	30,199,508	+3.9
Electric Power Output (Sept.)—					
Total monthly m.k.w.†	2,379,811	2,168,435	20,620,226	18,950,487	+8.8
Foreign Trade—♦					
Imports (September) $	73,564,271	56,411,727	515,331,719	505,952,759	+1.8
Exports (September) $	82,456,582	73,109,154	644,040,089	602,736,537	+6.8
Other Industrial Factors—					
Dressed lumber exp.: M. bd. ft. (Oct.)	▲244,085	144,296	1,823,970	1,352,951	+34.8
Shoes, prod., pr. (Sept.)	2,368,374	2,069,929	17,905,207	16,821,756	+6.4
Cotton imports, lb. (Sept.)	7,188,000	6,101,000	75,751,000	86,060,000	—11.9
Raw rubber imp., lb. (Oct.)	▲11,877,283	7,031,956	59,726,390	45,644,327	+30.6
Cigarette cons. (Oct.) No.†	▲706,229	587,592	5,980,875	5,751,514	+3.9
Sugar manufactured, lb.§	101,604,562	96,562,843	662,803,106	663,679,817	—0.1
Finance—					
Bank debits (Sept.)† $	2,831,651	2,654,813	22,731,224	22,077,381	+2.9
Bond sales (Sept.)† $	50,646	54,997	1,032,154	832,642	+23.8
Life insurance (Sept.) $	37,117,000	27,928,000	290,462,000	280,841,000	+3.4

*D.B.S. All Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For four weeks to Oct. 7, 1939. •Deficit.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. *Preliminary.
♦Gold excluded.

B. C. Government to Act In Combines Violation

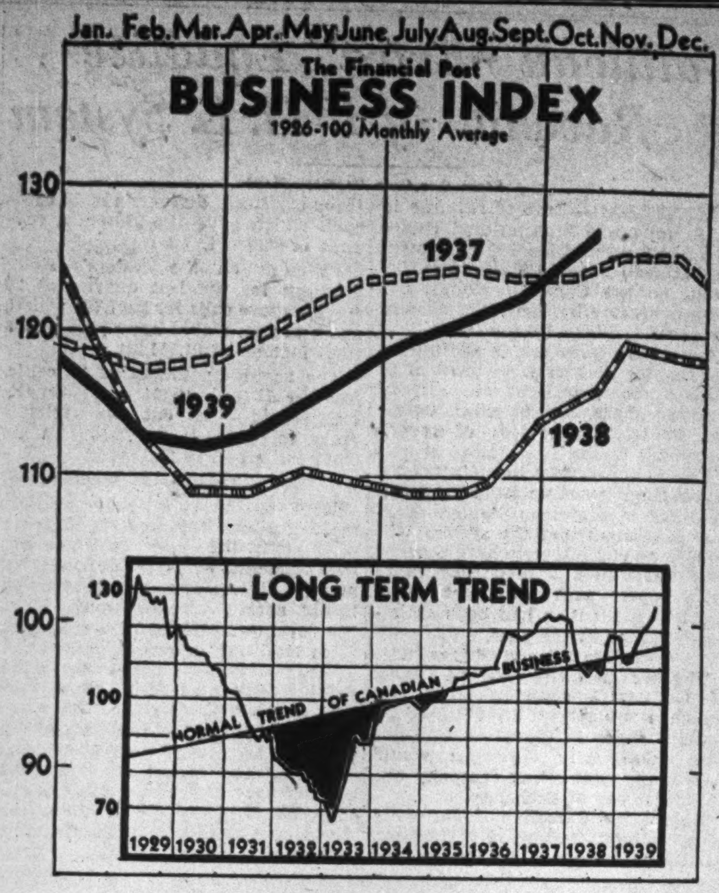
From Our Own Correspondent

VANCOUVER.—The British Columbia Government is preparing to act against persons involved in the fruit marketing combine referred to in the report of Investigator F. A. McGregor.

Companies charged with violation of the anti-monopoly law are Western Grocers, Ltd., of Winnipeg, and its subsidiary, Dominion Fruit, Ltd.; Lander Co. of Vernon, B.C. and Sales Service, Ltd., of Kelowna.

The investigation arose from charges laid before the Government by Godfrey Isaacs, Oyama, B.C. fruit grower.

In Montreal
THE Windsor
ON DOMINION SQUARE
J. Aldéric Raymond, Vice-President



FURTHER UPTURN IN BUSINESS

Canadian business made further progress upward in October. The Financial Post Business index moved up to 127.2 compared with 122.6 a month before and 115.7 in 1938. Productive operations during the month were higher, especially in forest products, automobiles and foodstuffs. Wholesale prices registered a minor advance, while a number of commodities reacted.

Major Economic Factors

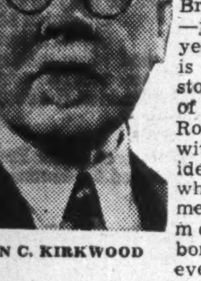
		October 1939	October 1938	Change %	Sept. 1939
F. P. Business Index†		*127.2	115.7	+9.9	122.6
Capitalized bond yields†		140.8	158.2	—11.0	130.7
Bank deposits†		129.0	123.9	+4.1	128.2
Copper exports	cwt.	334,157	481,831	—30.6	468,319
Nickel exports	cwt.	228,509	185,838	+23.0	263,298
Zinc exports	cwt.	161,224	288,190	—44.1	350,696
Asbestos exports	tons	20,211	17,246	+17.2	19,086
Sugar manufactured	lb.	101,604,562	96,562,843	+5.2	71,827,680
Cheese, factory production	lb.	12,637,990	15,210,559	—16.9	17,817,582
Butter, creamery production	lb.	23,496,717	23,438,264	+0.3	29,878,931
Crude rubber imports	lb.	11,877,283	7,031,956	+68.9	5,582,429
Raw wool and yarn imports	lb.	876,206	1,761,328	—50.3	1,329,168
Newsprint production	tons	280,985	254,872	+10.2	253,230
Planks and boards exported	M. ft.	244,085	144,296	+69.2	216,480
Shingles exported	squares	340,898	31,952	+966.9	294,939
Automobile production	no.	9,640	5,774	+67.0	3,921
Petroleum imports	gal.	166,109,000	127,375,000	+30.4	131,343,000
Cigar releases	no.	13,166,680	11,355,306	+16.0	11,742,065
Cigarette releases	no.	706,229,673	587,592,315	+20.2	584,757,839
Carloadings	no.	270,281	256,846	+5.2	294,656

* Preliminary.
† 1926 = 100.

Keeping Posted

By J. C. KIRKWOOD

A great many business executives receive that very admirable publication sent out by Howard Smith Paper Mills, "Paper on Parade." The latest issue contains the story of the introduction of penny postage to the people of the British Isles—just 100 years ago. It is a stirring story—a story of a man, Rowland Hill, with a new idea, and which idea met with the most stubborn, and even malicious, resistance from the Postmaster General, Lord Lichfield, and from numerous other highly-placed men. Lord Lichfield said of Mr. Hill's idea that it was the wildest and most visionary scheme of which he had ever heard! Mr. Hill's proposal was for a low uniform mailing rate, and the prepayment of postage by the device of postage stamps. A century ago there were 40 different rates for inland letters in the British Isles, and the practice was to collect on delivery.



JOHN C. KIRKWOOD

What impressed me, as I read this story of Rowland Hill's idea, fight, and final victory, was: it is extraordinarily hard to sell new ideas, even when they are good ones. Most men, even high-up executives, resist new ideas. Often years must pass before a sound idea has general acceptance.

In the end Rowland Hill's idea had general acceptance, not alone in Britain, but also in other countries. In 1860 Hill was knighted; Oxford conferred the D.C.L. degree on him; and when he died, he was buried in Westminster Abbey.

* * *

Unusual Things Pay

W. E. Pincombe, London, Ontario grocer, has a birthday party every year for kiddies. This year he invited 500 children to go with him to a local movie theatre, where the children themselves provided a part of the entertainment. The other part was the showing of films especially popular with boys and girls.

I agree with Canadian Grocer that it is good business for a retailer to do unusual things designed to build up goodwill for his store. Goodwill investments pay large dividends.

* * *

Library Attracts Customers

N. E. Suddaby, druggist in Duncan, B.C., says that a lending library in a drugstore attracts a large amount of extra business. It may not show a large profit, yet it is distinctly worth while, in Mr. Suddaby's opinion. As reported in Drug Merchandising, Mr. Suddaby says: "The lending library stimulates traffic in the store and brings people into the store for possibly longer periods of time than most other classes of merchandise, thereby giving the staff a chance to get personally acquainted with customers, and thus pave the way for building up a close personal contact with customers." Mr. Suddaby's library contains about 2,000 volumes.

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Ont. Niagara System Power Load Soars

Primary Jumps 13% in October Over Year Ago

Primary load of the Niagara System of the Ontario Hydro-Electric Power Commission during October showed the greatest increase in the current year.

Monthly summary of loads shows that the primary load of the Niagara System on a maximum 20-minute peak h.p. basis increased 13.1% over the corresponding month in 1938.

Primary power load of all systems was up 12.4% over the same month last year, while combined primary and secondary loads of all systems was 7.2% higher. Niagara system showed an increase of 8.4% in primary and secondary loads for October.

The following tabulation reveals the consistent increases shown in Niagara primary power consumption in the year to date:

Niagara Primary Monthly Loads
Maximum 20-minute peak h.p.

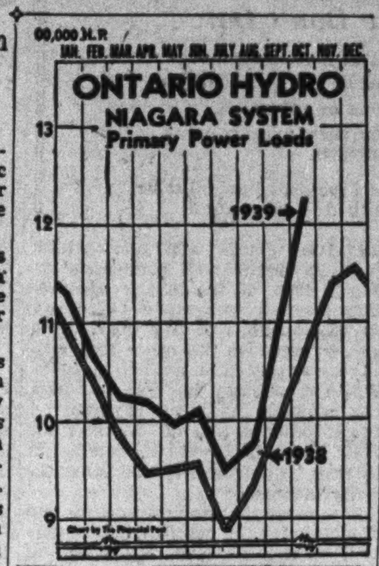
	1939	1938	Incr. %
Jan.	1,132,171	1,096,247	3.3
Feb.	1,070,778	1,043,029	2.7
Mar.	1,027,212	986,729	4.1
April	1,021,984	951,876	7.4
May	1,000,804	956,702	4.6
June	1,013,137	960,456	5.5
July	955,094	891,957	7.1
Aug.	979,893	936,461	4.6
Sept.	1,101,474	1,007,775	9.3
Oct.	1,228,552	1,086,729	13.1

The Niagara system is the major consumer of power in the Commission. In October it accounted for 74% of total primary power consumed, and 72% of the combined primary and secondary loads. Principal reason for the position of the system is the fact that the large industrial section of the province is concentrated in the south and central portions.

Power loads of the various systems for October are shown below:

Ontario Hydro-Electric Power
(Monthly Summary of Loads
Maximum 20-minute peak h.p.)

System	Oct. 1939	Oct. 1938	Incr. %
Primary Loads:			
Niagara	1,228,552	1,086,729	+13.1
Eastern Ont.	141,908	128,586	+10.4
Georgian Bay	34,756	30,891	+12.5
Thunder Bay	96,160	93,606	+2.7
North. Ont.	167,961	144,803	+16.0
Total	1,669,337	1,484,615	+12.4
Primary and Secondary Loads:			
Niagara	1,415,147	1,305,630	+8.4
Eastern Ont.	168,958	159,249	+6.1
Georgian Bay	34,756	30,891	+12.5
Thunder Bay	118,740	131,394	—9.6
North. Ont.	225,870	204,052	+10.7
Total	1,963,471	1,831,216	+7.2



Housing Administration Issues New House Plan

New design in the "500 series" of plans for small, minimum cost houses has been made available by the housing administration of the Dominion Department of Finance. First design in the series, a one and a half story dwelling in Cape Cod style, was issued late in July.

The latest set of plans, No. 551, is designed to meet the requirements of small families preferring the one-story or bungalow type of house. Only 24 feet square over all, the house is planned to utilize every foot of space available in a structure of limited size and all rooms are of the minimum sizes allowed under the National Housing Act. Construction is simple and standard Canadian materials can be used without cutting or waste. Exterior may be of wood, asbestos, stucco or brick, according to individual taste and stipulations of local by-laws.

Working plans including four sets of blueprints and four N. H. A. memoranda of specifications (to be filled in by owner and builder) may be obtained for nominal fee of $10 from Housing Administration, Department of Finance, Ottawa. The design provides for living room, combined kitchen and dining alcove, two bedrooms and bath. It can be built with or without basement, as desired.

A CHECK-UP OF YOUR INVESTMENTS

A requisite of a sound investment portfolio is a periodic analysis by a competent investment consultant. This service may be obtained without obligation at any of our offices.

A. E. AMES & CO.
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Business Established 1889
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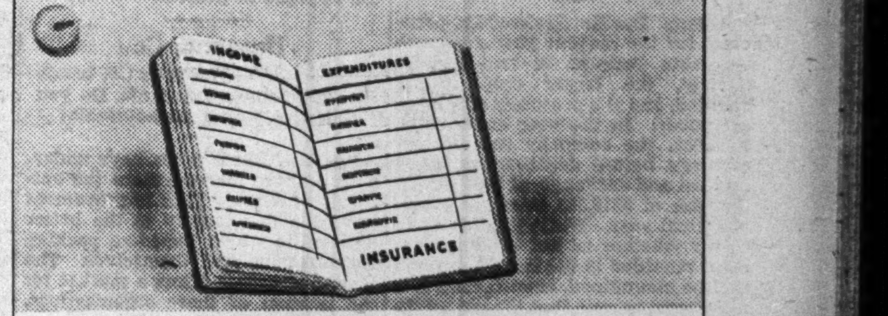
THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1938), $11,074,577
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

How many of these questions about life insurance can *you* answer?

1. *How much of my income should go into life insurance?*

2. *What form of settlement will be best for my family? —Monthly cheque? Lump sum? A combination of both?*



3. *With my wife as beneficiary, should I name my child, or children, "contingent" beneficiary?*

4. *What is the best way to arrange my insurance program to assure the education of my children?*

5. *Can I make provision under an ordinary life policy so that my wife and I may receive a life income in later years?*

THESE are some of the things people frequently want to know—and *should* know—about life insurance.

The answers to such questions will vary, of course, according to the individual circumstances of the person asking the questions.

▶ Is it difficult to get the answers? Not at all—*you need only ask your life insurance agent.*

You will find that he considers it his business in life to be of service to you. You will discover, too, that his experience with problems similar to yours has given him the necessary background to help and advise you.

You would understand why this is so if you could "sit in" on a few of the many extensive training courses which Metropolitan, for example, maintains both at the Home and Head Offices and in the field, in order to help its representatives to serve policyholders better.

▶ Last year in Canada and the United States, for instance, with 122 instructors continuously engaged in carrying on Metropolitan's educational program, 1,146 agents received intensive instruction in the company's schools . . . 3,113 representatives enrolled in the company's correspondence courses . . . almost 1,000 were enrolled in the course which, when completed, brings the coveted designation "Chartered Life Underwriter" . . . and 1,436 managers and assistant managers were given training designed especially for their benefit. In addition, Metropolitan constantly issues instructive publications, including a monthly magazine, all of which are designed further to improve the agents' service to policyholders.

▶ So if you own a Metropolitan life insurance policy, and want advice on questions like those above, or desire any information whatsoever about your insurance—*see your agent.* If he doesn't know the answer, *he knows who does.* He has merely to consult one of the Metropolitan specialists who stand ready, at all times, to help him serve policyholders to the utmost.

▶ If you prefer, don't hesitate to consult the company's nearest district office, or write directly to the Head Office. The company welcomes such inquiries from its policyholders. *And, naturally, there is no charge for the information you receive.*

This is Number 19 in a series of advertisements designed to give the public a clearer understanding of how a life insurance company operates. Copies of preceding advertisements will be mailed upon request.

Metropolitan Life Insurance Company
(*A MUTUAL COMPANY*)
NEW YORK

Frederick H. Ecker, CHAIRMAN OF THE BOARD
Leroy A. Lincoln, PRESIDENT

CANADIAN HEAD OFFICE
OTTAWA

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

Trans-Canada Shares

I hold a considerable quantity of Trans-Canada Shares. Are the shares likely to decline in price or the dividend be reduced if another depression comes along?

Trans-Canada Shares should fluctuate directly in relationship with changes in prices of the stocks which are held in the portfolio. It is possible that these shares would decline in price, but we are hardly in a position to make any definite predictions along this line. Also, it may be said that in periods of depression the dividends paid by the companies whose stocks are held in the portfolio of Trans-Canada Shares might be reduced with consequent harmful effect on the income which holders of the investment trust shares would receive. In this respect, you would be in no different position than would the shareholder of any other company under the same circumstances.

Beauharnois

I have some shares of Beauharnois Power Corp. Will you please tell me if these were exchanged to Beauharnois Light, Heat and Power Co.?

Under the plan approved by the bondholders and shareholders of Beauharnois Power Corp. some months ago, it was provided that arrangements would be made whereby the holding company would be dissolved and interests of the shareholders transferred to the operating company, namely, Beauharnois Light Heat & Power Co. This arrangement has never been carried out, but it is the plan of the management to do so at an opportune time.

Alta. Pacific Grain

I am interested in the 7% preferred of Alberta Pacific Grain and would like to have your views on this company.

Alberta Pacific Grain Co.'s prospects for the current year are more favorable because of two factors, namely, the larger crop to be handled, and the prospects of a large carryover. In the year ended June 30, 1939, the company showed net earnings before depreciation, bond interest and exchange, of $604,302, an increase of $319,580 over the previous fiscal year. While it is too early to say whether or not the improvement recorded in the last three years will be maintained, nevertheless it is of interest to note that the net working capital position of the company has improved from a deficit of $212,758 in 1933 to a favorable balance of $1,080,938 at the end of 1939. Moreover, last year, for the first time in some years, the company showed a balance of earnings available on the preferred stock. The amount was only 56 cents a share, but under conditions such as we are likely to have over the next year, it is possible that the company may report a substantial gain in earnings available on the preferred.

Dominion Foundries

Would you kindly summarize prospects for Dominion Foundries and Steel Ltd.?

Prospects are that Dominion Foundries and Steel Ltd. will again show high earnings for 1939 when its report appears a few months from now. Last year, this company set a record of earnings, net profit being equivalent to $3.60 a share on the new stock. Credit for a great deal of the company's recent favorable showing must go to its policy of diversifying its products. Features of this programme have been the construction of a tin-plate mill two or three years ago and entry into other lines of lighter steel products which go into consumer demand. Not only have these ventures contributed substantially to profits, but they have relieved the company from much of the erratic operations which have always been taken as native to the steel industry.

Current prices for the company's shares may discount a large proportion of the better outlook understood to be facing the company. Dominion Foundries will undoubtedly participate substantially in the recent order for railway equipment given to Canadian firms, as it makes a large number of important parts going into freight car construction. At the moment, the company is working on an addition to its plant to cost about $500,000, which will add to the capacity of certain of the rolling units and improve quality of products.

M. & O. Paper

Any current information on Minnesota and Ontario Paper Co. would be appreciated. How are the bonds now regarded?

A plan of reorganization for Minnesota and Ontario Paper Co. has recently been anounced and presented to bondholders for their consideration. The committee acting for the interests of bondholders in this company has advised that it is opposed to certain features of the plan advanced by the trustees for the company and may present a plan of its own when time for court hearings comes on Nov. 27.

Under the plan provided by the trustees, bondholders would get $400 in new 4% income bonds and 40 shares of new common stock, for each $1,000 principal amount of bonds and unpaid interest.

Minnesota and Ontario Paper Co. has recently experienced some improvement in earnings because of greater demand. The company's financial position is better than that for most companies which have operated under receivership and appears adequate for ordinary requirements. Until the company has established itself on a sound earnings basis and it is known what treatment bondholders will get in any reorganization, the company's bonds must be classed as rather speculative. Their outlook from this standpoint is directly tied in with that for the rest of the newsprint industry. Continuation of improvement in the newsprint industry appears to depend on the course of demand from United States consumers which is on the upgrade at present.

Burns & Co.

Purchase of Burns & Co. bonds has been suggested to me. Do you think this would be advisable?

Bonds of Burns & Co. have undergone a sharp increase since the outbreak of war. This improvement has been due largely to the better position in which Canadian packing organizations find themselves. The United Kingdom offers a market for the product of these organizations, which at the present time will tax capacity to fill. Even in peacetime Canadian packers were unable to fill their bacon quota to Great Britain. Another favorable factor is the rise in commodities since the outbreak of war. Sale of by-products is an important source of revenue and higher prices for hides, tallow, etc., should be reflected in earning statements at the end of the year.

Burns & Co. even without war faces the prospect of better business next year, although earnings for the six months ended June 30 were substantially lower than in the first half of 1938. Continued drought in the western provinces caused farmers to slaughter livestock because of the shortage of feed. As a result in 1937 and 1938 there was a drastic shortage of material to process.

Burns and Co. was able to operate only at a small percentage of normal capacity and earnings declined seriously. In the past two years western Canada has had good grain crops and the result is now beginning to be felt in increased production of hogs. It is estimated that hog production in 1940 will increase about 25%.

The company is reported to be returning to sales levels of its most prosperous years, and the creamery and fruit divisions of the organization are said to be operating satisfactorily. The management anticipates continued improvement during the balance of the year.

Record of the company over the past several years has not been impressive and in 1938 a net loss of $369,355 was shown for the year, against a profit of $27,843 in the previous year. The company did not earn its bond interest after depreciation in 1938. Interest on the 5% first mortgage bonds became obligatory from Jan. 1, 1939, and sinking fund payments will commence on Jan. 1, 1940. In the 1934 reorganization interest was made obligatory on $3.4 millions of this bond issue, and interest on the other $3.3 millions was placed on an income basis. While mandatory interest was paid the company made no payment on the income portion of the issue for 1938. Now, however, the company's interest requirements are substantially increased.

It appears that during wartime the demands for the company's products will be at high level but with the advent of peace the company will once again have to rely upon domestic conditions, which have not proved very satisfactory for the company in the past several years.

Canadian Car

Would you kindly let me have a report on Canadian Car and Foundry Co.?

Canadian Car & Foundry Co. has a relatively good volume of business on hand. The current year, which started on Oct. 1, is expected to result in much better earnings than last year. Canadian Car is sharing in the large equipment order placed by the railways recently and also has a substantial stake in the aircraft business. The prospects are more encouraging than they have been for some months past. The financial position, on the other hand, has not shaped up as well as might have been expected, due to heavy expenditures on aircraft development. However, with initial costs over, it is to be expected that the showing of the company will be along more favorable lines.

Dosco

Will you please let me have some information regarding the outlook for Dominion Steel and Coal Corp.'s common stock?

Dominion Steel & Coal Corp.'s class B stock is regarded as an interesting speculation. The financial position of the company has undergone a marked improvement in recent years, due to a broadening of operations and the opening up of new markets. At the present time all branches of the company's operations are on a near capacity basis and prospects are that earnings for 1939 will show a moderate increase over 1938. There is no immediate likelihood of a dividend on the B stock, as the management will probably follow a policy of building up cash reserves to take care of the expansion in business. The long-term outlook, on the other hand, is viewed favorably and as earnings and equity are built up, the market value of the class B stock should reflect the improvement.

Blue Ribbon Corp.

How will wartime conditions effect Blue Ribbon Corp.? What is the outlook for the common shareholders?

Since the advent of war, outlook for food organizations, such as Blue Ribbon Corporation, has improved. There are many imponderables in the situation, but taking everything into consideration, these organizations should experience more satisfactory operations.

In the year ended June 30, 1939, Blue Ribbon showed a substantial improvement in earnings over the previous year. Most of the lines handled by the company improved in price, but the confectionery business suffered to some extent from extreme competition and price cutting. The latter factor has made the food industry generally unsatisfactory in the past year. There are now indications that this situation is being improved. Earnings on the common stock amounted to 71 cents in the past year, against a deficit of 12 cents a share in the previous year.

Another factor that improves the outlook for the common shareholders is the fact that the dividend requirements on the preferred stock was cut from 6½% to 5% annually during the year. At the same time, dividend arrears on the preferred were wiped out. Capital was increased by the creation of an additional 10,000 preferred shares, which may be issued of the company sees fit to provide more capital. Working capital increased during the year to $898,710 from $866,755 one year earlier. At the annual meeting of the company, J. M. deC. O'Grady, president, told shareholders that volume of business and earnings in July and August improved over the corresponding months in the previous year.

McColl

Will you please let me have a report on McColl-Frontenac Oil Co. and the prospects for a resumption of dividends on the common stock?

McColl-Frontenac Oil Co.'s position has undergone an improvement. Sales have shown a satisfactory increase and earnings on the common stock are running appreciably ahead of those reported a year ago. There is talk that the company will shortly resume dividends on the common stock, though there is nothing official in this regard. During the eight months ended Sept. 30, 1939, the company had net earnings equivalent to 64.8c. a share on its common stock. If earnings continue to be maintained, then there would seem to be a very fair prospect of a distribution being made on the common.

U.S. Lines Help C.N.R. Showing

Grand Trunk Western Net Increases $1.9 Million in Nine Months

From Our Own Correspondent

MONTREAL. — Railway lines in the United States which are owned or controlled by the Canadian Pacific and Canadian National Railways have been doing better this year. All report improved results in the nine months ended Sept. 30 last as compared with the corresponding period of 1938.

U. S. lines of the C.N.R. have been an important factor in the improvement in earnings of that system. Net railway operating income of its U.S. lines increased $2.5 millions in the nine-month period. This compares favorably with the increase of $9.1 millions in net income of the entire system. The Grand Trunk Western Division in the Detroit and Chicago areas accounts for a large part of the American gain.

C.P.R. lines in U. S. are not an important factor in earnings of that company. Furthermore, three lines which it formerly controlled are now in receivership.

	1939 $	1938 $
C.N.R. Lines In New England		
Oper. revenues	1,050,864	1,015,305
Oper. expenses	1,115,562	1,132,191
Net rail oper. income	d475,399	d492,930
Central Vermont		
Oper. revenues	4,181,649	3,599,218
Oper. expenses	3,551,705	3,514,268
Net rail oper. income	100,026	d475,752
Grand Trunk Western		
Oper. revenues	15,388,742	12,520,801
Oper. expenses	13,095,345	12,272,986
Net rail oper. income	502,135	d1,454,051
C.P.R. Lines In Maine		
Oper. revenues	1,696,322	1,739,789
Oper. expenses	1,422,428	1,522,131
Net rail oper. income	24,929	d56,309
C.P.R. Lines In Vermont		
Oper. revenues	717,627	613,072
Oper. expenses	951,711	956,346
Net rail oper. income	d459,901	d577,429
***Minneapolis, St. Paul & S. S. Marie**		
Oper. revenues	20,646,192	18,055,840
Oper. expenses	16,280,453	15,742,905
Net rail oper. income	1,745,884	d471,687
***Duluth, South Shore & Atlantic**		
Oper. revenues	1,691,589	1,385.192
Oper. expenses	1,496,175	1,333,068
Net rail oper. income	19,776	d105,565
***Spokane International**		
Oper. revenues	599,204	560,409
Oper. expenses	462,462	461,157
Net rail oper. income	70,457	30,659

d—deficit.

*Lines formerly controlled by Canadian Pacific Railway—now in receivership.

Gatineau "Extra" Equalizes Revenue of I. H. E. System

From Our Own Correspondent

MONTREAL.—Loss of revenue in U. S. dollars to International Hydro Electric System from its investment in Gatineau Power Co., through discount on the Canadian dollar, has been overcome by the declaration of an extra dividend by the latter.

Gatineau Power has, in addition to the regular quarterly payment of 20 cents a share, declared an extra of 5 cents a share, both payable December 30 to shareholders of record December 1.

This action results in maintenance of I.H.E.S.'s revenue from its stock holdings in Gatineau Power. Further it assures that the system will be able to pay interest charges on its own debentures without having to draw upon cash resources to a greater extent than had been anticipated earlier in the year.

Owns Majority of Shares

The system owns 1,439,024 shares of Gatineau's common stock, on which a quarterly dividend of 20 cents a share in Canadian funds is paid. Ordinarily Gatineau would pay to the controlling company $1,151,218 at par of exchange.

Before the Canadian dollar went to a discount (following declaration of war) Gatineau had already paid three quarterly dividends of 20 cents each which gave the system a revenue of $863,414.

Payment on the system's share holdings for the last quarter at 20 cents a share calls for $287,804 which, again at par, would have provided a total income of $1,151,218.

The regular payment of 20 cents, less the 11% discount now prevailing, would have cut the system's gross income for the year on its Gatineau stock to $1,119,560.

"Extra" Maintains Income

With the extra of 5 cents a share, making a total payment for the year of 85 cents, the system will receive, less discount, $1,183,597, or slightly more than would have been received under normal circumstances. Thus the revenue received by the system from Gatineau is maintained.

Gatineau is in a position to pay the extra 5 cents a share out of its current income. During the first quarter the company earned 24 cents a share; in the second quarter 25 cents a share. The report for the third quarter has not yet been made available, but it is expected to show the dividend covered by a comfortable margin.

C.S.L. Volume Gains Sharply

Last Weeks of Lake Navigation on Better Scale

From Our Own Correspondent

MONTREAL.—Canada Steamship Lines' shipping activities on the St. Lawrence Canal will come to an end at the beginning of next week. The Government has announced that the Lachine Canal will be closed to eastbound traffic on Nov. 26 and to westbound traffic on Nov. 28. This is approximately the same date as last year, so that the shipping season for 1939 will be just as long as it was in 1938.

Current reports are that the company is handling a much better volume of grain. The past week registered an improvement, while the last minute rush resulted in a very heavy movement this week.

No particularly are available as yet on the volume of grain traffic handled by Canada Steamship Lines this year, but preliminary indications are that there was a fair volume of business.

B.C. Packers Ltd. Acquires Plants

Edmunds & Walker Units Added to Company's Chain

From Our Own Correspondent

VANCOUVER. — B. C. Packers, Ltd., Canada's biggest fish packing organization, expanded in two directions during the past week by adding to its chain of reduction plants and entering the fresh, frozen, mild cured and smoked fish business.

In one of the most important transactions of its kind in western Canada in a decade, B. C. Packers, Ltd., acquired the fresh and cold storage plants and distribution facilities of Edmunds & Walker, which has operated for some years in Vancouver and New Westminster.

Incidentally, both Edmunds and Walker, heads of the company bearing their name, were formerly with B. C. Packers, having left that setup in 1931 to launch their own enterprise. They now return to B. C. Packers and will continue in charge of the new department.

The packing organization, headed by H. R. MacMillan, has decided to establish a reduction plant at Alert Bay and will also reopen the salmon cannery there. The company now operates eight reduction plants and nine canneries.

Dominion Square Corp. Lists Stock in Montreal

From Our Own Correspondent

MONTREAL. — Dominion Square Corp.'s capital stock has been called for trading on the Montreal Curb Market. The listing covers 46,900 common shares.

The present capitalization arises out of the recent reorganization, whereby $3,578,500 of first mortgage bonds were issued in exchange for $4,690,000 of the old first mortgage bonds and accrued interest. Holders of the old bonds also received all of the new common stock on the basis of 10 common shares for each $1,000 of the old first mortgage bonds held. The old 6½% general mortgage bonds were cancelled and the holders were paid $150,000 in cash. The old preferred and common shares were cancelled.

Silverwood Declares Dividend on Arrears

Silverwood Dairies Ltd. has declared a dividend of 20 cents a share on account of arrears on the 40-cent cumulative no par preferred stock payable Dec. 1, to shareholders of record Nov. 18.

After taking this payment into consideration arrears on the stock will amount to 40 cents a share. The payment of an extra on arrears reflects better earnings that the company has been able to show this year.

Paton Manufacturing Co. Pays Dividend on Common

From Our Own Correspondent

MONTREAL.—Paton Manufacturing Co. has declared an initial quarterly dividend of 50 cents a share on its common stock, payable Dec. 15, 1939, to shareholders of record Nov. 30. The company has outstanding only 10,000 shares, a majority of which are owned by interests associated with Dominion Textile Co. The company has not previously reported dividend payments.

Distillers Sales Ahead in Quarter

S. Bronfman Reports Good Gain Over Returns for Last Year

From Our Own Correspondent

MONTREAL.—Volume of business transacted by Distillers Corp.-Seagrams Ltd. during the quarter ended Oct. 31, 1939, "was highly satisfactory and well in excess of previous years," according to a statement made at the annual meeting by President Samuel Bronfman.

In his survey of results for the past year, Mr. Bronfman stated sales of Canadian subsidiaries recorded a further increase and the standing on the Canadian market was improved by better distribution throughout the whole of the Dominion.

In the United States market, detail sales of all brands and government monopolies reveal that three of the four largest selling brands, regardless of price, were those of the company. In the export field, the company made further progress

CANADIAN SECURITIES

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

IMPERIAL BANK OF CANADA

65th ANNUAL STATEMENT

Year Ending October 31st, 1939

Profit and Loss Account

Profits for the year ended 31st October, 1939, after providing for		
Dominion and Provincial Taxes	$ 325,884.67	
Staff Pension and Guarantee Funds	99,689.21	
and after making appropriations to contingent accounts, out of which accounts full provision for bad and doubtful debts has been made		$ 966,258.53
Dividends at the rate of 10% per annum		700,000.00
		$ 266,258.53
Written off Bank Premises	$100,000.00	
Reserved for contingencies	150,000.00	
		250,000.00
Balance of Profits carried forward		$ 16,258.53
Profit and Loss Balance 31st October, 1938		649,375.51
Profit and Loss Balance 31st October, 1939		$ 665,634.04

BALANCE SHEET

LIABILITIES

Notes in Circulation			$ 5,307,515.00
Deposits by and balances due to Dominion Government		$12,006,061.83	
Deposits by and balances due to Provincial Governments		10,327,135.83	
Deposits by the public not bearing interest		39,783,818.36	
Deposits by the public bearing interest, including interest accrued to date of Statement		99,453,736.06	
			161,570,752.08
Deposits by and balances due to other Chartered Banks in Canada		$ 1,023,200.24	
Deposits by and balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries		2,864,565.73	
			3,887,765.97
			$170,766,033.05
Acceptances and Letters of Credit Outstanding			1,351,836.05
Capital Paid Up		$7,000,000.00	
Reserve Fund		8,000,000.00	
Dividends declared and unpaid		176,326.36	
Balance of Profits as per Profit and Loss Account		665,634.04	
			15,841,960.40
			$187,959,829.50

ASSETS

Gold held in Canada		$ 746.18	
Subsidiary Coin held in Canada		316,578.69	
Notes of Bank of Canada	$ 5,267,915.00		
Deposits with Bank of Canada	9,123,625.89		
		14,391,540.89	
Notes of other Chartered Banks		317,400.00	
Government and Bank Notes other than Canadian		55,227.74	
			$ 15,081,493.50
Deposit with the Minister of Finance for the security of note circulation			273,843.10
Cheques on other Banks			7,265,789.76
Deposits with and balances due by other Chartered Banks in Canada			629,759.57
Due by Banks and Banking Correspondents elsewhere than in Canada			3,234,975.57
			$ 26,485,861.50
Dominion and Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value		$26,128,054.74	
Other Dominion and Provincial Government direct and guaranteed Securities, not exceeding market value		43,848,582.77	
Canadian Municipal Securities, not exceeding market value		6,196,598.73	
Other Bonds, Debentures and Stocks, not exceeding market value		35,863.59	
			76,209,099.83
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures, Bonds and other Securities, of a sufficient marketable value to cover		$ 5,200,024.50	
Loans to Provincial Governments		587,928.43	
Loans to Cities, Towns, Municipalities and School Districts		7,393,783.82	
			13,181,736.75
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for			64,080,745.51
Non-current Loans, estimated loss provided for			250,243.56
Real Estate other than Bank Premises			143,084.64
Mortgages on Real Estate sold by the Bank			340,867.88
Bank Premises, at not more than cost, less amounts, if any, written off			5,850,776.60
Liabilities of Customers under Acceptances and Letters of Credit as per contra			1,351,836.05
Other Assets not included under the foregoing heads			65,577.18
			$187,959,829.50

A. E. PHIPPS, *President.* H. T. JAFFRAY, *General Manager.*

AUDITORS' REPORT TO SHAREHOLDERS

We report to the Shareholders of the Imperial Bank of Canada:—

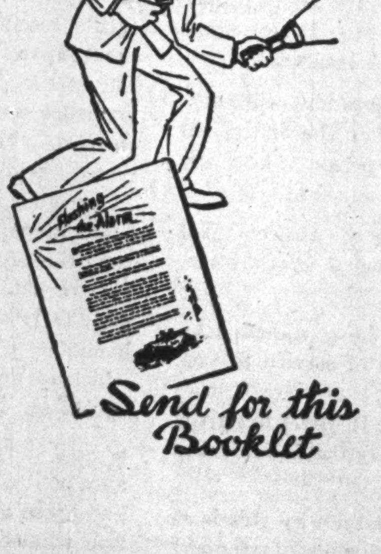
That we have examined the above Balance Sheet as at 31st October, 1939, and compared it with the books at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

In our opinion the Balance Sheet discloses the true condition of the Bank, and is as shown by the books of the Bank.

A. B. SHEPHERD, F.C.A.
of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.

Toronto, 14th November, 1939.

Defeating the Burglar



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Dominion Electric Protection provides a safeguard from burglary for doors, windows and skylights. Even coal holes and thin partitions are protected against those persons who seek to steal your merchandise.

The vaults of financial institutions are protected by our Burglar Alarm System so that even the slightest hammering on door or wall will operate the alarm.

The alarm sounds in the D.E.P. Central Station where there are always on duty trained officers ready to respond instantly, insuring also the prompt arrival of the police.

The lowest rates on Burglary Insurance are granted where D.E.P. Systems are employed.

Other D.E.P. Systems include: Night Watch Patrol Systems, Automatic and Manual Fire Alarms, Sprinkler Supervisory Systems.

Where Central Station Service is not available we are prepared to install Local Systems connected to the Fire or the Police Department.

DOMINION ELECTRIC PROTECTION COMPANY

Central Stations located at

TORONTO MONTREAL QUEBEC OTTAWA
HAMILTON LONDON WINNIPEG

DOMINION PROTECTIVE SYSTEMS

Rules in making a will

FIRST
Let us help you plan it
SECOND
Have it drawn by your solicitor
THIRD
Appoint us your Executor

THE ROYAL TRUST COMPANY

3904A

Investment Timing

Certain securities have reached their peak of expansion and will not react to present stimuli. Others are stronger than ever and will benefit from contemporary conditions.

We suggest that you write our Advisory Service Department. They will be glad to look over your portfolio and give constructive suggestions.

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J. F. HOBKIRK, Manager

Investing in Wartime

Peace Hedges During War

"Enduring Management" Makes Best Safeguard For Long-term Holding

Winner of second prize of $50 in The Financial Post's contest on "Investing in Wartime," the article of Harry J. Bird is published here. Next week The Post will begin publication of the articles to which "Honorable Mention" prizes of $25 each were given. Mr. Bird is manager of Empire Securities Co. Ltd., Vancouver.

In publishing these articles, The Financial Post is giving Mr. Bird and other contestants an opportunity to express their own views on a proper investment programme under present conditions. The articles submitted were judged largely on the strength and interest of the arguments advanced, and thus do not necessarily represent the views of either the judges or The Financial Post.

By H. J. BIRD

In submitting my entry for the contest, the object of which is the selection of a $50,000 portfolio of investments for a businessman, my selection is based on the following premises, as stated in the rules of the contest:

a. The primary purpose is "protection against the future."

b. Ordinary investment risks are acceptable.

c. A fair return on the capital invested is sought.

d. Capital appreciation would be welcome.

Before outlining the portfolio I gave considerable thought to the above objectives. My selection will, perhaps, be considered as striving for too high an income at the expense of possible capital enhancement. I have deliberately discarded a more speculative list with the profound thought in mind that "protection against the future" (in the absolute sense) is humanly impossible to mortal man.

Good Management

In my experience, extending over some years, a conservative investment policy always pays in the long run, for the simple reason that the time-tried investments in industrial securities are time-tried because these investments represent capital placed in the hands of sound and enduring management. Good management nearly always can keep abreast of technological changes in industrial development, scientific inventions, war, etc. (except in the case of specialty industries, which are for this reason ruled out). Good management almost always builds up cash reserves for contingencies, spends money for research and, broadly speaking, provides stockholders with insurance against the future. That is what we seek.

I have included in the portfolio various types of securities in about the following proportions:

Government bonds of medium maturity—20%.

Industrial preferred stocks—30%.

Common stocks for appreciation—30%.

Common stocks for income—20%.

War and Peace Hedges

As the programme is outlined more or less as a hedge against war and inflation, there should also, in my opinion, be included therein a hedge against peace and deflation. In other words, the portfolio should be balanced and diversified to cope with every conceivable market trend. As markets do not always go up, the investor should at least be in a position to derive a fair income while the market is down, possibly as a result of an unforeseen depression, collapse of a war market boom, or other such contingency. The selections for the portfolio should, by this reasoning, contain fairly sound, seasoned stocks, well diversified both as to amount and as to industry, as well as to type of security.

The Government bonds are divided into $5,000 maturities, the first in 5 years and the second in 10 years. This provides a more or less stable cash fund, which may be used to advantage later if the investor so wishes. It may be used to add to the portfolio of preferred stocks or common stocks, or for emergencies such as business reverses, sickness or by the executor in the event of death, for succession duty payments and for a clean-up fund in this event, as there is no statement of how much, if any, life insurance is carried by the businessman investor.

Market Protection

The average businessman has not the time to give much study to the market. We may assume, naturally, that our suggested investor accumulated this sum of $50,000 himself and that he, therefore, must have some exceptional business ability, for every businessman does not have $50,000 to invest. His daily activities must, naturally, be directed toward his own business interests, for he is not retired. Outside of reading the evening market quotations, no doubt he knows little about what is going on in the stock market other than that he possibly has a fairly good grasp of the general trend of business and industry. The market has a habit of discounting these trends well in advance, therefore we would need to be fairly conservative in advising him on investments.

We, therefore, size the whole situation up, on the very limited knowledge of the circumstances of the investor other than stated, and decide that if we must err let us err on the conservative side. Even though we might not make any money for our businessman, let us strive rather to provide "protection against the future" by selecting sound equities of proved investment worth and quality. Even though capital appreciation would be welcome, after all isn't the assurance of owning the best investment stocks of our leading corporations, well diversified in the basic industries of the nation, better than winding up with a fair proportion of "cats and dogs" which looked pretty "hot" when war was declared? If there is to be prosperity in the country the largest industrial corporations will get their share of it, along with the marginal producers. Our investor may, therefore, obtain his sought-for "unearned increment."

The Portfolio

So much for academic thought on the subject of investing the $50,000. We now come to the actual selection of individual securities as outlined in attached portfolio. The industries selected for investment, in addition to the Government bonds, are as follows:

War Stocks

Group One: Textiles, rubber, merchandising, steel, equipment, flour milling and grain, oil producing, refining and marketing, food products, base metals. These represent those industries in the best position to profit by war economy.

Peace Stocks

Group Two: Public utilities, banking, beverages (a polite word for liquor stocks) and, lastly, gold mining. This group may be called the "Peace stocks" and should be held for income, not appreciation.

Exclusions

I have made a sincere effort to include pulp and paper, railroads and shipbuilding, but cannot find any equities in these groups with a sufficiently good record to be included in my list. Admitted these groups have definite attractions, one might select the bonds of companies in these industries, but then again the bonds have no long term record of interest payments other than Canadian Pacific. Canada Steamships would be included as a speculation, but my understanding is that this is supposed to be an investment list.

Several of the paper companies look definitely attractive, few are paying dividends and many are either in, or just out of, receivership. These would-be speculations, outside of the fine paper groups such as Rolland, Howard Smith and Hinde & Dauch.

Most of the shipbuilding companies in Canada are either in default, such as Canadian Viickers; Government subsidized, such as Burrard Drydock and St. Johns Drydock; or privately owned.

Our railroad problem is too involved to get into (if you are out of it—stay cut). Therefore, this rules out Canadian Pacific common stock, even though it should go higher.

The aviation manufacturers will make money—just how much we don't know—but U. S. companies being eliminated, I do not care to include the Canadian manufacturers, even though they have a promising future. Canadian Car & National Steel Car should be among the leaders in this, as yet, infant industry.

Lastly, I will say a few words about the golds. I believe that gold will be used as a base for our currency (however inflated) for the duration of this war as it was in the last one and for the past 2,000 years. Secondly, gold mining is one of, if not the most important, industries in Canada. It is from this industry largely that we are able to maintain a favorable balance of trade, in addition to our exports of raw and finished goods. It is with our gold that we have been able to service our external debt. One may, therefore, assume that no unfavorable restrictions will be placed on the production of gold by our present or any succeeding government. I am, therefore, adding two of our largest gold mines to the portfolio, whose stocks, in my humble opinion, look very attractive at present prices.

Summing up, I have used the following yardsticks in selecting individual securities:

a. The company must occupy a leading position in the industry.

b. It must have ample working capital.

c. It must have a good record of dividend disbursements.

d. The stock selected must have active market, in other words, it must be listed either on Montreal or Toronto stock exchanges.

e. The company must have well-known and able management.

f. The company must have a simple capital structure, about equally divided between senior and equity securities, or with nothing ahead of the common.

$50,000 Portfolio for Businessman

BONDS

Amount	Security	Rate	Due	Price (Oct. 21) $	Cost $	Income $	Yld. %	Percent. Total %	Bid Nov. 20
$5,000	Dominion	4 %	1945	104.00	5,230	200	3.15	10	104¼
$5,000	Dominion	3½ %	1949	101.60	5,080	175	3.30	10	100¼
$10,000 par value			Total		10,310	375		20	

PREFERRED STOCKS

Shs.	Company	Dividend	Price (Oct. 21) $	Cost $	Income $	Yield %	Per-cent. Total %	Price Nov. 20 $
50	Can. Celanese ...	7%	112	5,600	350	6.25	11	120
100	Goodyear Tire ...	5%	55	5,500	250	4.55	11	55
40	Simpson's Ltd. ..	5% & 1%	95	3,800	240	6.32	8	96
		Total		14,900	840		30	

COMMON STOCKS FOR APPRECIATION

25	Steel of Can. ...	$1.75 plus $2	87	2,175	93.75	4.31	4½	85
50	Dominion Bridge	1.20	45	2,250	60	2.67	5	39½
50	Ogilvie Flour ...	1.00	35	1,750	50	2.86	3½	31
100	Imperial Oil	1.25	18	1,800	125	6.94	3½	16
20	Can. Packers	3.00 plus $1	100	2,000	80	4.00	4	101
25	Dom. Textile	5.00	89	2,225	125	5.62	4½	89½
50	Inter. Nickel	2.00	48	2,400	100	4.17	5	48
		Total		14,600	633.75		30	

COMMON STOCKS FOR INCOME

10	Bell Telephone ..	8.00	162	1,620	80	4.94	3	165
50	Shawinigan	1.00	23	1,150	50	4.35	2½	23
10	Bank Montreal ..	8.00	195	1,950	80	4.10	4	213
50	Hiram Walker ...	4.00	41½	2,075	200	9.64	4	43⅝
50	Dome Mines	2.00	28	1,400	100	7.14	3	29½
50	Lake Shore	4.00	36	1,800	200	11.11	3½	27⅞
		Total		9,995	710		20	

RECAPITULATION

	Capital Invested $	%	Income $	%
Government Bonds	10,310	20	375.00	15
Preferred Stocks	14,900	30	840.00	33
Common Stocks (Apprec.)	14,600	30	633.75	24
Common Stocks (Income)	9,995	20	710.00	28
*Commissions, taxes, etc.	195			
Total	50,000	100	2,558.75	100

*On stocks only (bonds quoted net) Commissions estimated only.

Average yield on capital 5.11%. (Yield on bonds to maturity.)

Quotations as at Oct. 21, 1939, in portfolio submitted. Nov. 20 prices inserted in last column to bring figures up to date.

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IS GOLD A WAR NECESSITY?
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Claims Lack of Balance In First Prize Portfolio

Many investors have decided views as to what they consider the ideal portfolio and The Financial Post contest on "Investing in War Time" has given an opportunity to make public these ideas. In recognition that constructive criticism may aid in arriving at a better decision, The Financial Post welcomes comments on the prize winning portfolios to be published. Excerpts from two letters received are published below.

Anyone who has had an opportunity to study the many portfolios and articles submitted in the recent Financial Post contest must realize that nowhere is there more room for varied opinions and judgment than in selecting investments.

The first article, that of S. C. Scobell, published in last week's issue of The Post, has already brought criticisms which are felt to be worthy of publication.

Sidney B. McMichael, Toronto, was a contestant and at a later date The Post plans to publish his entry. He has written his criticisms of the portfolio included in the entry awarded first prize by the judges. Mr. McMichael draws attention to the problem presented for solution and contends that "the portfolio of the first prize winner is not consistent in several details with the conditions set forth above."

Uses "Rating" System

Mr. McMichael uses the so-called "rating" systems of statistical organizations in supporting both the selections included in the portfolio he entered and in some of his criticisms of the prize-winning portfolio.

Regarding the "defensive fund" portion of Mr. Scobell's list, he says:

"The securities selected are two AAA bonds, two AA bonds and four A bonds, all high grade Dominion Government or provincial obligations and maturing at the rate of $2,000 annually from 1941 to 1948 inclusive.

"I submit that this is inconsistent with the statement in the conditions that the businessman is ready to accept the ordinary risks of business and investments. There is little or no risk involved because the securities referred to are of a type selected for trust funds of widows and orphans dependent on their income for a living."

Turning to the "aggressive fund" portion of Mr. Scobell's list, Mr. McMichael says:

"In the 'aggressive fund' is one security rated by Fitch at CC (fair dividend prospects), one at CCC (best in lower grade group), one at BB (good in medium group) and one at X (no rating possible because of insufficient information).

"In the 'cyclical speculations' one is rated at CCC (best in lower grade), three are rated at CC (fair in lower grade) and one at B (fair in medium grade group). But let us examine these just a bit closer. Only one of the five equities pays any dividend at all and that is the equity rated at B which is the lowest of the medium grade. Notice please that 10% of the total fund is to be invested in these securities."

"Primary Producers"

This critic professes amazement as well at some of the "primary producers" chosen by Scobell. He concludes that:

"The total amount of the 'aggressive fund' is $17,449, or approximately one third of the whole. I submit that the securities listed in this group are inconsistent with three of the conditions of the contest.

"(a) Many of them are not ordinary business risks but extraordinary risks as investments.

"(b) Many of them do not provide any income at all for the present and less than a fair promise of income for the future.

"(c) A majority do not fulfill the condition that the businessman is investing primarily for protection."

Insurance Company Standards

Another correspondent, a prominent Toronto lawyer, points out another criticism of the list presented by Mr. Scobell. He takes as his measure of quality that a stock should meet the requirements for investments by insurance companies in Canada. Chief qualification that such a stock must meet is payment of regular dividends, in the case of preferred stocks for not less than five years and for common stocks at least 4%, or $4 a share in the case of no par value stocks, for the same period.

This lawyer points out that:—

"Sixty-seven per cent of the list is in common stocks and 67% of this 67% is not eligible for life insurance companies, and carrying it farther, 45% of the entire portfolio is not eligible for life insurance companies. If your portfolio is a proper investment portfolio for a businessman, then the regulations of the Insurance Department at Ottawa are entirely inconsistent. I should judge that life insurance companies should be placed in the same position exactly as a businessman and a portfolio which is a good investment for a businessman should be a good investment portfolio for life insurance companies and vice versa.

"I assume that you will answer that a businessman is entitled to a portfolio consisting of a high percentage of speculative securities as he can watch his portfolio. I am unable to follow this as life insurance companies have a board of directors who meet regularly to consider investments and, moreover, usually they have one or two specialists watching the portfolio at all times."

Ottawa Car & Aircraft New Stock on Market

From Our Own Correspondent

MONTREAL. — Ottawa Car and Aircraft Ltd.'s common stock has been called for trading on the Montreal Stock Exchange. The listing covers 58,895 shares which were issued in exchange for the 11,779 shares of Ottawa Car Manufacturing Co., whose stock was previously listed on the Exchange.

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Montreal Loan Elects Hampson as Vice-President

From Our Own Correspondent

MONTREAL.—E. Greville Hampson has been elected vice-president of Montreal Loan and Mortgage Co., succeeding the late G. Rutherfurd Caverhill.

CANADIAN
FUND

Prospectus of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.
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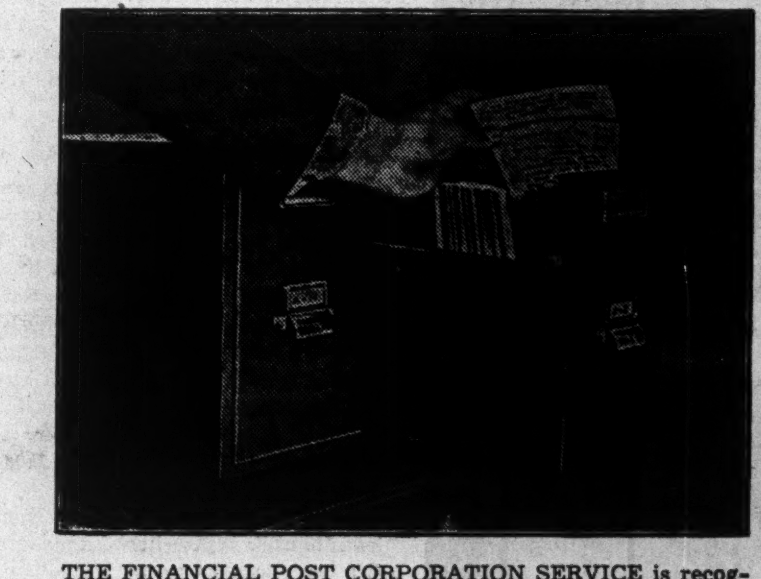

For Portfolio Selection and Analysis

These Cards Give All The Facts

THE FINANCIAL POST CORPORATION SERVICE is recognized as the most complete and authoritative source of investment information and news on Canadian companies. The information is well-analyzed and presented in a compact and readily accessible form — a form that is easy to read and impressive to send to clients. The Service covers both listed and unlisted companies — industrials, public utilities, mines, oils, banks, trust and loan companies, life insurance companies, investment trusts, real estate companies, etc.

Services are available to fill the requirements of every financial organization. Special services on specific companies may also be secured by organizations or investors desiring to investigate a selected list of companies.

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....

Royal Typewriter Company, Limited

—"a good neighbor"

The Four-fold Contribution of This Important Enterprise to Canada's Economy Earns For It a Place on the Nation's Honor Roll of Corporate Good Citizens

BIRTHPLACE, age and size have nothing to do with good citizenship. This is as true of business organizations as it is of individuals. Other qualities determine whether an industrial enterprise is a corporate good citizen. In order to be a "good neighbor" a business enterprise does not have to have an enormous plant and thousands of employees.

The Royal Typewriter Company's employees are numbered by the hundred. It makes only one product—typewriters. Yet, it has earned a place on Canada's honor roll of "good neighbors."

The company is a leader because of the merits of its product. Furthermore, it is a key unit of the largest organization in the world devoted exclusively to the manufacture of typewriters.

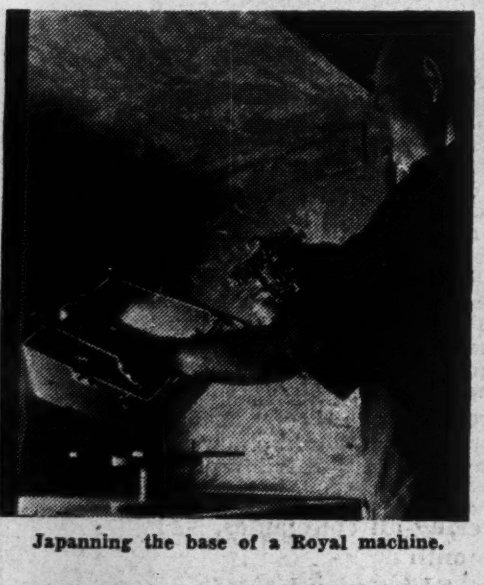
Makes Four-fold Contribution

Royal Typewriter's contribution to Canadian economy is four-fold. Not only does it supply the domestic market with a Canadian-made typewriter, but it buys Canadian materials as far as possible and gives employment to Canadians. In addition, it has developed an important export market for Canadian typewriters. The company is also the basis of successful business enterprises stretched from coast to coast. There are about 50 dealers serving the domestic market and these employ in all about 400 persons.

It is well known that Canadian prosperity is largely dependent on its export trade. Thus, sales of Royal Typewriters abroad are a valuable contribution to Canada's vital external trade. Indicative of the importance of the company's contribution in this regard is the fact that it exports a large percentage of its production.

The characters go on the Royal keyboard.

It takes skill to fit type to key bars.


Japanning the base of a Royal machine.

The history of Royal Typewriter in Canada is one of steady evolution and expansion. Royal typewriters first came on the Canadian market in 1906. For 25 years the machines were imported and sales made through agencies. Early in 1932, however, it was decided the Canadian and Empire markets were sufficiently important to justify establishment of a Canadian plant.

Began in a Modest Way

Manufacturing operations in Canada began in a modest way. In fact, initial operations were largely an assembly job, parts being imported. Gradually, however, the company embarked on the manufacture of parts.

Indicative of its importance, is the growth of manufacturing facilities. Only seven short years ago, Royal Typewriter began operations in a loft building with a mere handful of employees. Recently, it opened a new and modern plant in Montreal employing nearly two hundred persons.

The new plant is one of the most beautiful and modern of its kind in the British Empire. Not only is it equipped with the most modern machinery available, but it is functional in design. In fact, one might say it was built around the manufacturing operation.

Completely Integrated Unit

The building houses all manufacturing and office facilities, including executive offices, sales office, shipping offices, laboratory, japanning department, machine shop, etc. The ground floor of one wing houses the electro-plating department where chrome, nickel, cadmium and copper are applied to parts of the machine. Here, also, parts are rust-proofed and bonderized.

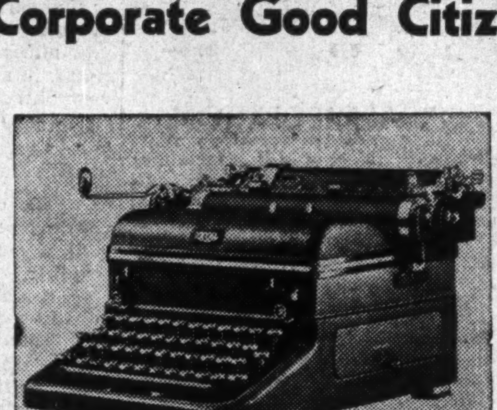
In the interior design, every care has been given to the comfort, welfare and safety of employees. More than ample room has been provided for present manufacturing operations and the building plans provide for future expansion. A factory could not be better lighted and this is important as many operations in making a typewriter, require considerable concentration of the eyes. Ventilation facilities are excellent.

Build a Precision Instrument

Royal typewriter is not a commodity but a precision instrument. Its manufacture calls for extreme accuracy. Many parts have to be machined to a tolerance of one thousandth of an inch. Not only does the machine have to be sturdy, but the keys must be in perfect alignment. Anyone who doubts the need of strength and accuracy in typewriter construction may well recall that a stenographer in a good day's work may tap out 100,000 to 125,000 key strokes.

While simple of operation—anyone can learn to use a typewriter—its manufacture is a complicated process. More than 2,500 parts go into a machine. Production and assembly of these parts requires highly trained employees. Mass production methods cannot be applied to the final assembly of the machines. They must be built, tested and retested, much in the same way as the skilled watch-maker handles each part as he assembles a fine time-piece.

Steel, iron, brass, bronze, nickel, silver, chrome, cadmium, rubber, bakelite, cork, glass and leather all go into a Royal typewriter. Parts are cast, stamped or machined. The frame is cast. The key levers and other parts are stamped out. The carriage consists of a variety of brass, bronze and drawn steel parts.



A Valuable Neighbor

Royal Typewriter Company's new plant in Montreal is one of the most modern and efficient of its kind in the British Empire.

A precision instrument, the Royal Typewriter is a product of skilled workmanship.

The Royal Typewriter holds the world's official speed record of 141 words a minute, established by Albert Tangora at Chicago in 1937.

Royal has pioneered in many fields of typewriter progress. A large staff of engineers and designers are constantly and exclusively seeking to improve Royal Typewriters.

It is a key unit of the largest organization in the world devoted exclusively to the manufacture and betterment of typewriters.

Royal Typewriter caters to both domestic and export markets. A large percentage of its output goes overseas. Thus, Royal contributes to Canada's favorable trade balance.

Royal Typewriters have been distributed in Canada since 1906. The establishment of a plant in Montreal in 1932 has resulted in a manyfold increase in sales.

The Royal is entirely assembled, and most of its parts made or processed in the Montreal plant. As many of the parts as possible are made in the company's own factory.

Within Thousandths of an Inch

The final stage of the manufacturing process is the assembly of the parts. It is here that the greatest skill is required. Parts must not ony fit, but they must fit to within thousandths of an inch.

The normal typewriter keyboard has 84 characters. Each must be arranged so its imprint on paper will be in perfect alignment. Each key must strike the paper in a truly vertical position. There must be no tendency for the letters to lean to the right or the left. Furthermore, they must be adjusted so that the same energy will actuate each key and each of the 84 characters to make a proper imprint.

All this can be achieved only by the age-old trial and errors method. In short, precision is only achieved by skilled manual workers. Specially designed gauges record the accuracy of each stage in the assembling process. The employees must build the machines within the narrow tolerances which the gauges record. In brief, Royal typewriters are not assembled in the ordinary meaning of the word. Instead, each machine is built, assembled and adjusted by a group of artificers, all of whom have years of experience in their craft.

Largest Share to Labor

Of every dollar spent for a Royal typewriter, by far the largest proportion represents labor costs. The actual cost of materials is relatively small, but skilled labor is required in every operation.

Royal Typewriter has no labor relations problem, and virtually no labor turn-over. Girls do marry and an occasional man has gone to another job. But the percentage of employees who have left the company is low, very low. Since manufacturing operations began there have been virtually no lay-offs. All plant, sales and office employees are Canadians and have been trained in Canada.

The very small labor turn-over is an indication of the friendly relations between management and employees. Mention should also be made of the spirit of co-operation that pervades the organization. Royal Typewriter employees believe in the merits of the machine they make. They feel that Royal's research and experimental departments, in concentrating solely on improving their typewriter, have produced a machine unsurpassed in design and performance.

Recognition of the important part played by the employee, is seen in the recent reduction in the working week from 47 to 44 hours. While hours worked have been reduced, the weekly pay envelope remains the same, the rate of wages having been increased to offset the reduction in hours.

Record of Steady Expansion

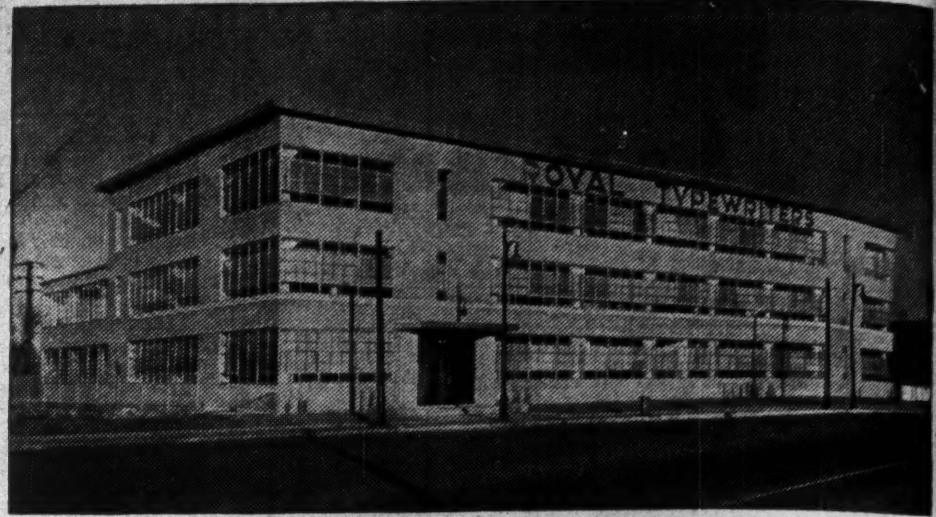
Since it began manufacturing operations the experience of the company has been one of steady expansion. In 1938, for example, a year of business recession, production increased by more than 37%.

The steady increase in sales of the company in Canada and abroad is testimony to the high regard in which Royal Typewriters are held. In fact, Royal typewriters are known in every part of the world where business is transacted. Royal has pioneered a number of new developments in typewriter perfection. These include enclosure of mechanism for dust protection, "Touch Control" and "Magic Margin," noise reduction, stream-lining, accelerating typebar action, roller trip escapement and segment shift.

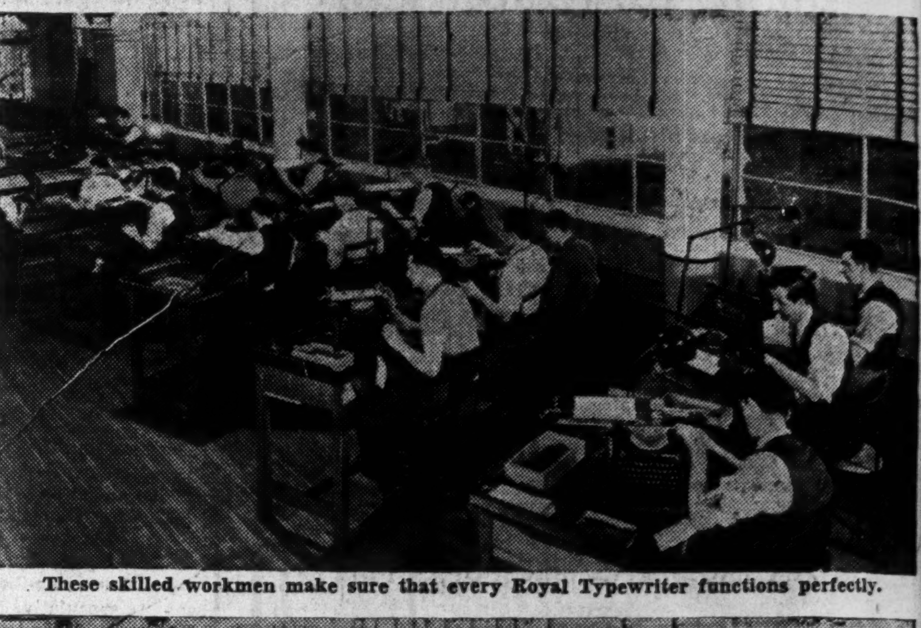
The first aim of Royal Typewriter is to produce the best possible typewriter at the lowest possible cost. It believes that a satisfied customer is the best possible advertisement. Thus, it lays great stress on service, following up the sale of machines with maintenance and repair service.

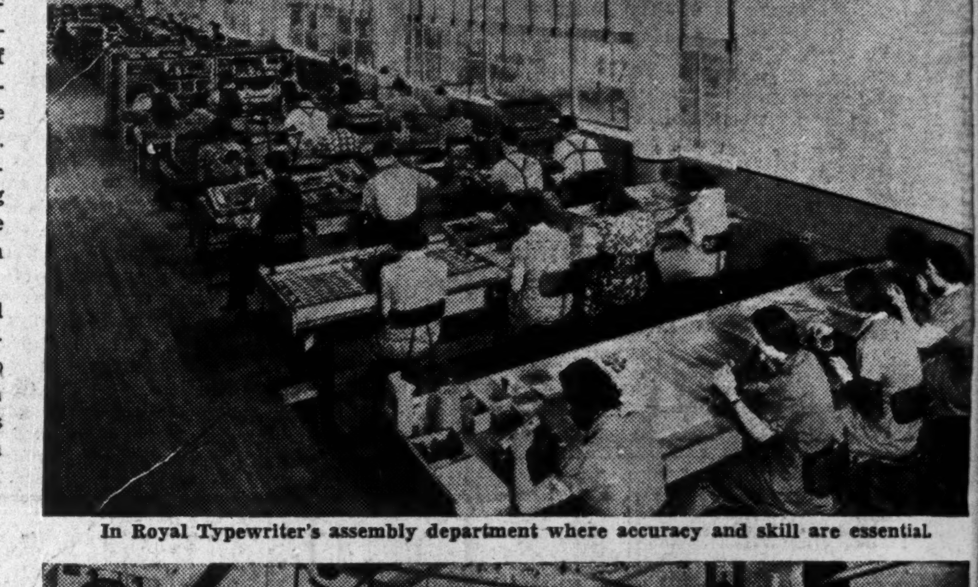
A good product, excellent service and effective advertising have been important factors in the success of the Royal Typewriter Co. Ltd. They are among the qualifications of a good corporate citizen. Thus, Royal Typewriter is an important member of Canada's business community of "good neighbors."

No. 16 in a series of studies in corporate citizenship appearing in The Financial Post through co-operation of leading Canadian business institutions.

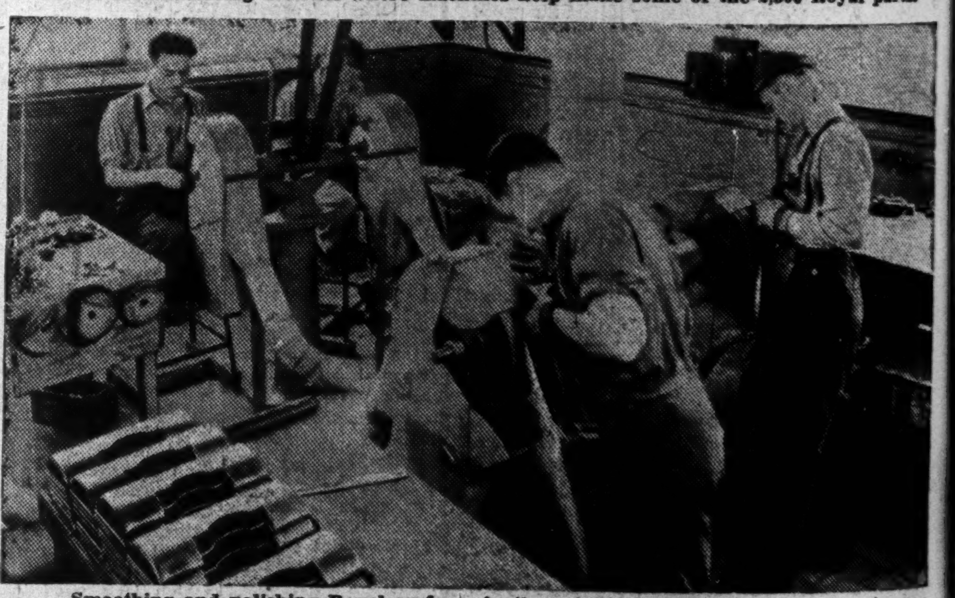


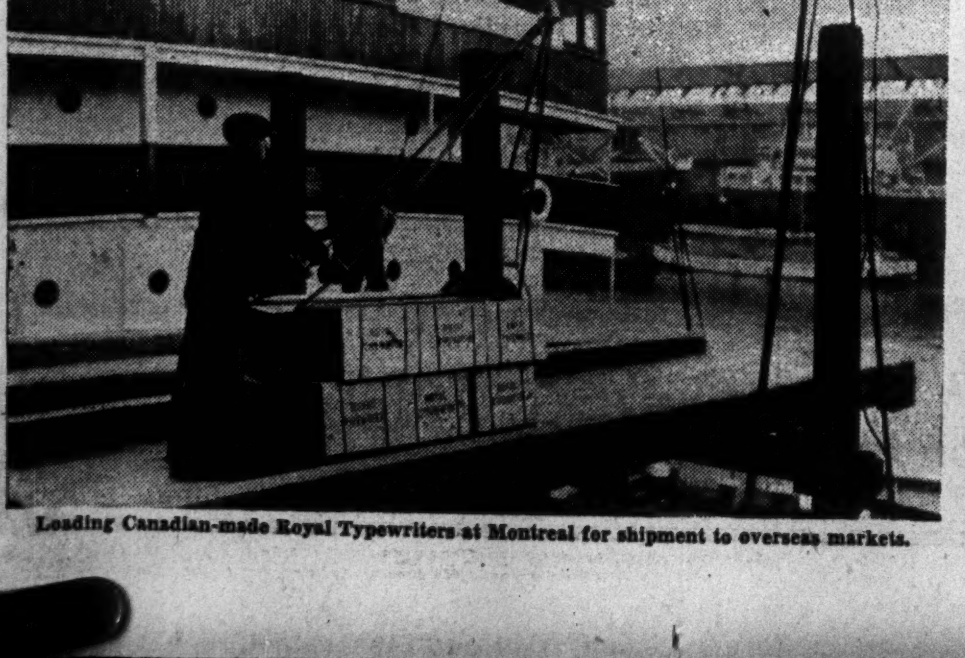
Royal Typewriter's new home in Montreal, one of the finest of its kind in the Empire.

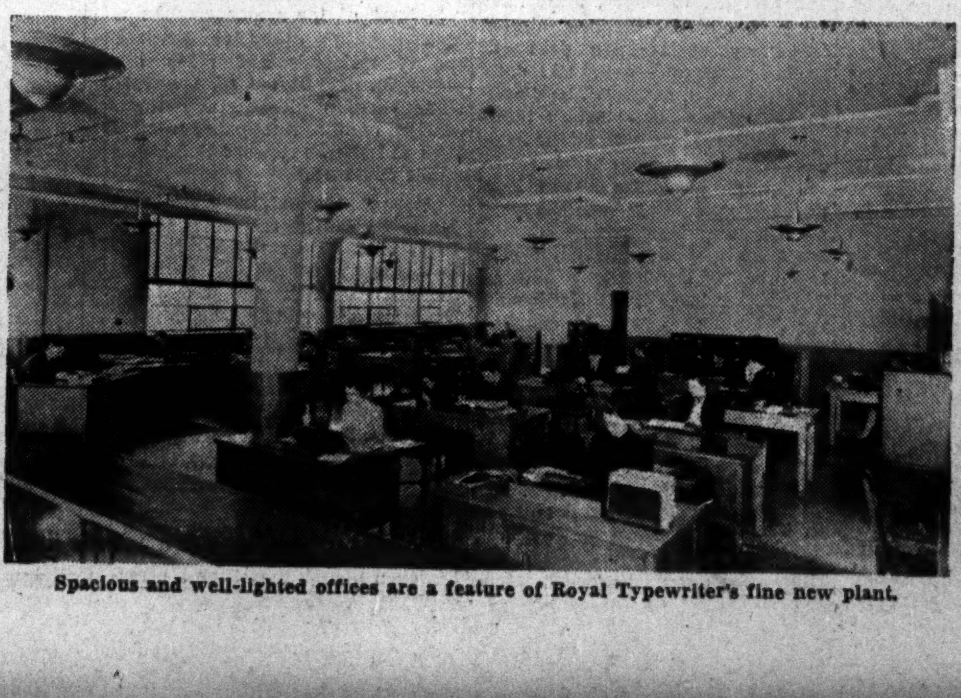

These skilled workmen make sure that every Royal Typewriter functions perfectly.


In Royal Typewriter's assembly department where accuracy and skill are essential.

In the manufacturing division where machines help make some of the 2,500 Royal parts.


Smoothing and polishing Royal surfaces in the grinding and buffing department.


Loading Canadian-made Royal Typewriters at Montreal for shipment to overseas markets.


Spacious and well-lighted offices are a feature of Royal Typewriter's fine new plant.

In the electro-plating department a number of Royal Typewriter parts are nickel-plated.

Wartime Investing, Second Prize Article (Page 9)

THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

Vol. XXXIII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, NOVEMBER 25, 1939 10c a Copy; $5.00 a Year No. 47

What is Canada's Favorite Investment Stock?

Contest Competitors Give Rating Mainly to Int. Nickel and Noranda

By A. D. ELLWOOD,
Investment Editor, The Financial Post

There is little doubt as to which are the most popular Canadian stocks, if the combined judgment of the 120 entries in The Financial Post's contest on "Investing in Wartime" can be accepted.

International Nickel and Noranda might almost be classed as the Siamese Twins of the Canadian investment field. Ninety of the 120 investment portfolios submitted named International Nickel, and 85 Noranda. The former thus earns all-star ranking by a comparatively small margin. The fact that these two stocks ranked so closely and are so far ahead of the rest of the field may be a surprise to many.

An International Leader

International Nickel was for a considerable time, and may still be, the most popular stock among the investment trusts in the United States but no other Canadian stock has ever ranked anywhere near the top when measured by that standard of public esteem.

There is a wide gap between the top two stocks and those coming next in popularity. There is also more variety introduced. British American Oil was included by just over half of the contestants while National Steel Car and Steel Co. of Canada common follow closely.

There are 26 stocks that are named 20 or more times and 83 that appear on five or more portfolios. Out of the first 26, which include those named by 20 or more contestants, there are six mining stocks, including two golds and three base metal producers.

Another striking fact that comes out of the analysis of the actual portfolios submitted by contestants is the number of stocks that have their own following. They may only appear on the trading lists of the major stock exchanges on rare occasions but they can still count on certain followers.

As already mentioned there were 83 stocks that were mentioned five or more times in the lists submitted to The Post. But there were another 23 that were included on four lists; 26 that received mention three times; 37 that received two mentions; and 96 that were included on only one list.

This makes a total of 265 stocks that at least someone thinks should be included in a $50,000 portfolio for a businessman in wartime. If nothing else has been brought out by this contest, it has again been emphasized how easy it will be to make mistakes when 120 persons who have made sufficient study of the subject of investments to be able to formulate their ideal programme to satisfy the conditions presented can find sufficient reason to include 265 stocks at least once.

It has often been said that preferred stocks are neither one thing nor the other, that this group participates in the chief disadvantage of bonds in that the return to the investor is fixed. At the same time the actual claims on assets is indefinite because of such factors as lack of voting power, no specific pledge of assets as security and frequent junior position to securities such as bonds.

Yet we find that over 60% of the entries in this contest included preferred stocks in a greater or less proportion. There were 76 portfolios that included at least one preferred stock out of the 120 received. Among the top 83 stocks there are 13 preferred issues.

Argument for Preferreds

In support of the inclusion of preferred stocks there seems to be presented two chief arguments which depend on the types of preferred selected.

In the first place many contestants included preferred stocks on which there were accumulated arrears but where improving prospects gave a reasonable chance of paying off the accumulations. This usually was regarded as giving a double attraction in the chance of higher income and appreciation in values.

Then certain preferreds were selected on the strength of their provisions for participating in earnings along with the common stock while retaining their priority for a specified rate. Conversion privileges were another reason cited in close relationship to the participating feature, both being stressed as some measure of protection against inflationary price rises without complete loss of assured income in less prosperous times. And, of course, others selected preferred stocks strictly on the basis of long records of dividend payments and generally good positions.

The next step in analysing the aggregate portfolios is to break down the top ranking 83 stocks among industries. When this is done the largest single group is gold mining with 10 companies out of the 83. Next comes steel fabricators and equipment makers with nine representatives and public utilities with seven.

Peacetime Hedges

The latter may be surprising in view of the almost universal fear of inflation among those submitting entries and the often expressed view that companies operating with a fixed selling price for their product are at a disadvantage in times of war. Perhaps it is true, however, that in an affort to protect the portfolio against postwar, or peace effects, representatives of the stable utility group come in for more than the expected consideration.

Base metals not only include the two most popular stocks but also come in for a total of six names mentioned. Here again the inflation and war aspects of the investment programmes seem to be uppermost.

Pulp and paper comes in with six companies named but this group does not include any of the most popular stocks. As more than one entry mentioned, it is exceedingly difficult to find stocks in the Canadian pulp and paper industry which can justifiably be included in a portfolio which must be designed for minimum of supervision and for a long-term point of view. The past record of this industry is certainly not such as to encourage anything except the closest of supervision.

Appreciation Versus Income

Where the contest conditions specified that the triple objectives of income, capital preservation and appreciation were to be combined, it is natural to have many contestants selecting individual stocks for one or other of these purposes. Utilities and merchandising stocks lead among the more stable capital preservation and income groups. But even here a number of entries included the leading mining stocks under this heading.

Analysis of a number of entries show that the following stocks tend to be emphasized for stability, income and preservation of capital: Bell Telephone, Shawinigan, Loblaw A and B, International Nickel, B. A. Oil, Noranda, Montreal Power, Fanny Farmer, Canada Packers, Canada and Dominion Sugar and the bank stocks.

Even on this point unanimous judgment is not possible, however, as is seen when International Nickel and Noranda appear even oftener on the lists where capital appreciation is to be stressed.

Among the more popular stocks which were selected primarily to stress growth of capital are the following: Steel Co. of Canada common, Ogilvie Flour, International Nickel, Lake of the Woods Milling, Consolidated Mining & Smelting, National Steel Car, Dominion Foundries & Steel, Asbestos Corp., International Petroleum, Price Bros., Massey-Harris preferred, General Steel Wares, Noranda and others.

Most Favored Stocks in Contest

Figures Denote Times Recommended In 120 Investment Portfolios

90	International Nickel
85	Noranda Mines
59	B. A. Oil
53	National Steel Car
52	Steel of Canada, com.
46	Imperial Oil
41	Ford of Canada, A
39	Ogilvie Flour, com.
39	Consolidated Smelters
35	Canada Packers
34	Dominion Textile com.
32	Hudson Bay Mining
31	Dominion Bridge
29	Bell Telephone
29	Canadian Industries B
29	Montreal Power
29	Shawinigan
28	Dom. Steel & Coal B.
27	International Petroleum
25	Dome
24	Imperial Tobacco
22	Royalite
21	Loblaw Groceterias A
20	Canada & Dominion
20	C. P. R.
20	McIntyre-Porcupine
18	Asbestos Corp.
18	Canadian Car pref.
18	Dom. Foundries com.
18	Massey-Harris pref.
17	Canadian Celanese pref.
17	Hollinger
17	Price Bros. com.
15	Aluminium Ltd.
15	Fleet Aircraft
15	Page-Hersey
13	Can. Bank of Commerce
13	Wright-Hargreaves
12	Can. Celanese com.
11	Bank of Montreal
11	East Malartic
11	Goodyear com.
11	Moore Corp. com.
10	Building Products
10	Can. Steamships pref.
10	Fanny Farmer
10	Home Oil
10	Steel of Canada pref.
9	Canadian Car com.
9	Fraser Cos. v. t.
9	Gatineau com.
9	Goodyear pref.
9	Lake of Woods com.
8	Howard Smith com.
8	Macassa
8	National Breweries com.
8	Wilsil Ltd.
7	Algoma Steel com.
7	Bralorne
7	Consumers' Gas
7	Gatineau pref.
7	Hiram Walker com.
7	Lake Shore
7	Loblaw Groceterias B
7	Moore Corp. A pref.
7	Pickle Crow
7	Sherritt-Gordon
6	Bathurst A
6	Canadian Canners 1st pref.
6	Canadian Canners B
6	Consolidated Paper
6	Cosmos Imperial
6	General Steel Wares com.
6	Laura Secord
6	McColl-Frontenac pref.
6	Royal Bank
6	Union Gas
5	Canada Cement pref.
5	C. & E. Corp.
5	Dominion Coal pref.
5	Massey-Harris com.
5	Preston East Dome
5	St. Lawrence Paper pref.

Post Contestants Favor Wide Range of Industry

Oil Refining

Company Ranking		Times Mentioned
3	B. A. Oil	59
6	Imperial Oil	46
31	McColl-Front. pref.	6

Oil Producing

Company Ranking		Times Mentioned
15	Inter. Petroleum	27
18	Royalite	22
27	Home Oil	10
32	C. & E. Corp.	5

Primary Steel

Company Ranking		Times Mentioned
5	Steel of Can. com.	52
14	Dosco B	28
27	Steel of Can. pref.	10
30	Algoma Steel com.	7

Packers & Canners

Company Ranking		Times Mentioned
9	Canada Packers	35
29	Wilsil	8
31	Can. Canners 1st pref.	6
31	Can. Canners B pref.	6

Steels

Company Ranking		Times Mentioned
4	National Steel Car	53
7	Ford of Canada A	41
12	Dominion Bridge	31
21	Dom. Foundries com.	18
21	Canadian Car pref.	18
21	Massey-Harris pref.	18
23	Page-Hersey	15
28	Canadian Car com.	9
31	Gen. Steel Wares com.	6
32	Massey-Harris com.	5

Milling and Foods

Company Ranking		Times Mentioned
8	Ogilvie Flour com.	39
20	Can. & Dominion	20
27	Fanny Farmer	10
28	Lake of Woods com.	9
31	Laura Secord	6

Chain Store

Company Ranking		Times Mentioned
19	Loblaw A	21
30	Loblaw B	7

Public Utilities

Company Ranking		Times Mentioned
13	Montreal Power	29
13	Shawinigan	29
13	Bell Telephone	29
28	Gatineau com.	9
30	Consumers' Gas	7
30	Gatineau pref.	7
31	Union Gas	6

Metals

Company Ranking		Times Mentioned
1	Inter. Nickel	90
2	Noranda	85
8	Consolidated Smelters	39
11	Hudson Bay Mining	32
23	Aluminium	15
30	Sherritt-Gordon	7

Construction

Company Ranking		Times Mentioned
21	Asbestos	18
27	Building Products	10
32	Canada Cement pref.	5

Gold Mines

Company Ranking		Times Mentioned
16	Dome	25
20	McIntyre-Porcupine	20
22	Hollinger	17
24	Wright-Hargreaves	13
26	East Malartic	11
29	Macassa	8
30	Bralorne	7
30	Lake Shore	7
30	Pickle Crow	7
32	Preston East Dome	5

Banks

Company Ranking		Times Mentioned
24	Bank of Commerce	13
26	Bank of Montreal	11
31	Royal Bank	6

Beverages

Company Ranking		Times Mentioned
29	National Brew. com.	8
30	Hiram Walker com.	7

Transportation

Company Ranking		Times Mentioned
20	C. P. R.	20
27	Can. Steamships pref.	10

Textiles

Company Ranking		Times Mentioned
10	Dom. Textiles com.	34
22	Can. Celanese pref.	17
25	Can. Celanese com.	12
31	Cosmos Imperial	6

Pulp and Paper

Company Ranking		Times Mentioned
22	Price Bros. com.	17
28	Fraser vot. trust	9
29	Howard Smith com.	8
31	Consolidated Paper	6
31	Bathurst A	6
32	St. Lawrence pref.	5

Miscellaneous

Company Ranking		Times Mentioned
13	Can. Industries B	29
17	Imperial Tobacco	24
23	Fleet Aircraft	15
26	Goodyear com.	11
26	Moore Corp. com.	11
28	Goodyear pref.	9
30	Moore Corp. A pref.	7
32	Dom. Coal pref.	5

War and Chemicals

By RONALD A. McEACHERN
Staff Writer, The Financial Post

For ordinary folks, there isn't much head nor tail to the chemical industry. It takes things like coal and salt and air, then does something most of us don't understand and triumphantly shouts a word like dichlorodifluoromethane. That doesn't give us much of a chance to know what's going on.

But it's the chemical industry on which our "modern civilization" is based. In war, it's chemistry that makes the wheels turn and the shells burst.

Most of us have been told that the biggest things that have happened in the past quarter century have been in the chemical industry; that it has been undergoing a sweeping revolution.

In Canada last year the production of the chemical and allied industry was worth $145 millions with 774 plants in operation, paying $29 millions in salaries and wages, $60 millions for supplies and materials. The output was not many millions less than our vaunted gold mining industry. About 15% of our enormous electric power output was used by the chemical industry.

Those are the most conservative figures. If you include all the industries which either make chemicals or use a chemical process in their manufacture, you get a startling total for last year's production of $974 millions from 1,332 plants.

Chemistry has been doing astonishing things ever since, a good many million years ago, a cave woman found that a bun tasted better after it was burned a bit. Since then chemistry has been growing in stature and in its importance to our daily life, but without many of us paying much attention to it.

One of the difficulties is that chemistry deals with processes we can't watch. The important things in chemistry are unseen. Most of them are as cataclysmic as if the sun didn't rise in the sky. But we take the results for granted and don't know about these epic dramas of the atoms.

Just what is the chemical industry?

It really includes three groups: industries manufacturing chemicals for the use of other industry such as the familiar Canadian Industries Limited or Shawinigan Chemicals. Second are the industries which produce a chemical at some point in the process of manufacturing something else, like the soap industry, which has by-products to sell such widely dissociated fields as rayon and explosives. Third, are the industries which use chemicals and chemical processes in the manufacture of goods like the automobile tire, paints or the food processing industry.

Photo courtesy Canadian Industries Ltd.

Modern equipment and adaptability of plants make Canada's chemical industries an important asset in prosecution of war efforts.

Invades Every Industry

Here are the industries which the Dominion Bureau of Statistics consider belong in the chemical and allied product group; coal tar distillation, acids, alkalis and salts, compressed gases, fertilizers, medicinals and pharmaceuticals, paints, pigments and varnishes, soaps, washing compounds and cleaning preparations, toilet preparations, printing and writing inks, hardwood distillation, adhesives, polishes and dressing. Finally there is a great big category named miscellaneous which includes a spate of things including munitions.

The list can properly be expanded very considerably. The food processing and packing industry hardly ever turns around without using a chemical process. Chemistry is a major factor in the making of automobile tires and rubber products, in the brewing and distilling business, in mining, in pulp and paper. Hardly a single modern industry, big or little, but uses chemicals or chemical technique somewhere.

It was Great War I that produced the sudden flowering of the chemical industry on this continent. Germany had very successfully spread the belief that her chemists were ultra expert. She backed that up by keeping a careful world monopoly on many of the most important chemical processes. They realized very clearly that many a chemical plant is a potential munitions plant.

Medicines, fertilizers, dyes, a long string of essential chemicals and the production of optical glass were some of the arts and sciences that this country and this continent did not have when Germany ruled the chemical world.

There was no respect for patent rights held by Germany once the 1914 war was declared. Scores of chemists at once started figuring out the tricks of the German chemical industry. Scarcity and sudden demand put hundreds of other chemists at work trying to find new ways of doing old things.

The modern chemical age was born. Results were spectacular.

Germany's key position in the world of chemistry was smashed, never to be recovered. So was the Chilean nitrate monopoly. In 1898 the British scientist Sir William Crookes was prophesying that mankind was headed straight for starvation because the fertility of the world's soil would play out and so would the great fertilizer beds of Chile. A new development soon made the need for Chilean nitrates just about nil. It was hard on Chile and Sir William Crookes, but vital in war, and of immense importance in bringing down fertilizer prices to where the large scale farmer could use it.

Catching Nitrogen

The nitrogen fixation process was the new development. It literally catches the essential thing, nitrogen, out of the air—by means of enormous quantities of electric power. The gigantic United States power development, Muscle Shoals, was conceived largely as a nitrogen producer.

The old saw about the meat packing industry using everything but hen's teeth and the pig's squeal makes it a prodigal compared with the thrifty chemical industry. A drip here, a smell there, something invisible, odorless and colorless over there are the sources of chemical wonders and profits. Because of this, chemicals turn up in all sorts of places. So it is almost impossible to draw the line and say these are chemical makers and those are chemical users.

How does Canada stand in chemicals for the making of explosives and war chemicals?

Virtually one hundred per cent. There is nothing in this line Canada can't make. Chemical science has gone so far in the past 25 years that even if Germany should come out with some ghastly new shell or gas, our chemists would likely be able to duplicate it promptly. Today Canada is producing or has the capacity to produce virtually everything in the chemical line needed for war.

One of the remarkable things about the chemical business is its adaptability. Very rapidly many chemical plants can be transformed into war supply producers. Hence, given the demand, essential chemicals could be produced in many plants now, at first glance, only distantly related to the chemical field.

Canada's imports of chemicals are still somewhat higher than her exports though the trend is toward self-sufficiency. Last year our imports were $19 millions, exports, $11.3 millions. Big volume production is the economical method of production and in many specialized chemical fields, the Canadian demand is insufficient to justify manufacture in this country.

But Canadian chemists know all the secrets. The proximity of the United States, the close connection between some of the Canadian and U. S. companies, and the flexibility of the industry itself, definitely assures Canada of practically unlimited chemical capacity.

It's from a very short list of things that the chemist works his magic. Coal, salt, limestone and sulfur are his chief needs, plus the so-called free things, air and water. Hundreds of other raw materials have specialized uses in chemical processes. Scientific permutations and combinations blend those things and their products in tens of thousands of ways creating a bewildering crisscross of relationships.

With some sacrifice of completeness, these things can be brought down to terms that we can understand.

The Explosives Business

Take the explosives business.

Perhaps the authorities have some novel explosive up their sleeve which they're not telling about. But in any case, here are the basic factors in explosives production.

In explosives, there are two fundamental types, propellants — the stuff that makes shells go, and disruptives, the stuff that bursts the shell, doing the damage. Nitrocellulose, cordite and variants are the main type of propellants.

Nitrocellulose, in simplest terms, is a product of nitric acid, which is product of ammonia, water and air. Hence, nitrocellulose belongs to the same family tree as various types of fertilizer, plastics, motion picture film, new type textiles, artificial leather and so on.

TNT is typical of the other kind of explosive, the disruptives. Its source is in the coke and gas produced by coal.

What happened in Canada in 1914 tells a lot about the chemical industry.

Canadians could get the raw materials all right. They knew how to make TNT. But there had been no demand for it in peacetime, hence, when the British Government sent out a virtually unlimited order for immediate delivery, Canada looked like a rather hopeless source.

T. N. T. and Cordite

With the help of explosives experts from Britain, Thomas A. Edison, the electrical wizard, and their own engineers, Dominion Steel Corp., of Sydney, N. S., promptly designed a plant to catch a by-product of its coking ovens and produce toluol, the base of TNT. Algoma Steel at Sault Ste. Marie was soon doing the same thing.

Just about 80 days after the idea struck, the first Canadian-made toluol was shipped. Canadian Explosives Co. was to finish the job; turn toluol into TNT. In six weeks it built 30 new buildings, bought and set-up a lot of new equipment and started deliveries several weeks ahead of schedule.

During the war, Canada turned out about 42 million pounds of TNT.

Cordite was the second big explosive, 28 million pounds manufactured here. It was with this explosive that British and Canadian chemists made one of the most important discoveries in the explosives field in the century.

Acetone, a colorless liquid, is about the best solvent for gun-cotton, the basic material of cordite. But the main source of acetone had been from a destructive distillation of hard wood. This process left the supply wholly inadequate.

Two new processes were promptly developed which assured an ample supply. At Shawinigan, acetone was produced from acetylene, which goes back to coke, limestone and water. A second discovery found that acetone could be "brewed" from cereals. A large whiskey distillery immediately turned to acetone production and became the principal source of the Empire acetone supply.

Perhaps an important new process can be developed. Cotton has to be imported from Egypt or United States. Because of the close relationship between the cellulose of cotton and of wood pulp, it will be surprising if chemists won't shortly find means of using the Canadian raw material and obviating the need of importing cotton.

Naturally, the explosives business is very much more complicated than this. These are just hints how the chemical business works.

Here is another hint: the development that followed Great War I when explosives manufacturers found their factories filled with acetone, butanol and nitrocellulose. Chemists got busy and soon found a vast new outlet in plastics, in a brand new lacquer—the kind that makes your motor car shine.

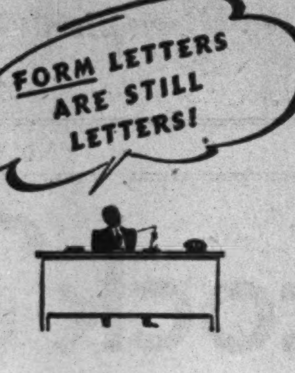
The many-barrelled words of the chemist's jargon are very specific descriptions of the chemical they represent. But, using them to a minimum, look at the 'genealogy' of some of the things with which most of us are mildly familiar.

As already demonstrated simple, common elements form the basis of the whole chemical line-up.

Broken down, coal becomes coal tar, coke and ammonia. Salt becomes chlorine and caustic soda, plus hydrogen. Limestone becomes quicklime and carbon dioxide (the fizz in pop). Sulfur with air becomes sulfur dioxide. The immensely important nitrogen is now largely trapped from the air.

Constituents of coal tar go into plas-

(Continued on page 17)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Brompton Pays $1.10 a Share

From Our Own Correspondent

MONTREAL. — Improvement in earnings power of Brompton Pulp & Paper Co. is reflected in action of the parent company, St. Lawrence Corp., in declaring an interim dividend of $1 a share on the class A stock, payable Dec. 15 to shareholders of record Dec. 1. The current declaration is on account of arrears, which accrued in January, April and July, 1932, according to the company's statement.

Last previous declaration was 50 cents a share on Dec. 15, 1938, and, prior to that, $1 a share in 1937. Arrears on the class A stock of St. Lawrence Corp. amounted to $14.25 a share at the end of last year.

St. Lawrence Corp.'s ability to pay this dividend results from the declaration of a dividend of $1.10 a share by Brompton Pulp and Paper on its common stock, payment to be made on Dec. 15 to shareholders of record Dec. 1.

Brompton has outstanding 300,000 shares of common, practically all of which are owned by St. Lawrence Corp. This dividend will give St. Lawrence a revenue of $327,847, which is more than sufficient to cover the $298,043 required to pay the $1 a dividend on St. Lawrence's A stock.

A Good Name

For over 70 years the name Maclaren, in the Ottawa Valley, has stood for fair dealing and a quality product.

Newsprint—Groundwood

270,000 h.p. Hydro Power *Installed capacity*

MACLAREN POWER & PAPER COMPANY

Maclaren-Quebec Power Company
The James Maclaren Company Limited
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Abitibi Power & Paper Company, Limited
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Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.

Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Pulp and Paper Industry

1940 Newsprint Price in Making

American Group Set $55 Maximum; Many Factors For Canadian Mills to Consider

By JOHN LANGDON
Eastern Editor, The Financial Post

MONTREAL. — Great Northern Paper Co. has informed contract customers that the price of newsprint delivered in New York will be $55 a ton for all of 1940. There will be a rebate of $6 a ton for the first quarter and $5 a ton for the second quarter. Decision on the rebate for the last half of the year will be announced later.

The Wright Co., distributor for Maine Seaboard Paper Co., Algonquin Paper Corp. and Gould Paper Co., announces that it will sell newsprint for the first quarter of 1940 at $49 a ton delivered in New York and $50 for the second quarter.

Price Policy Developing

It is not known if the terms of the contracts arranged by the Wright Co. call for the same price schedule as Great Northern Paper, but as their sales policies have been alike for some time past, it is presumed that a similar arrangement prevails on maximum price.

The Scandinavian producers are continuing arrangement with contract customers to deliver paper in New York at $43 a ton. This is considered somewhat unusual in view of the known rise in manufacturing, shipping and insurance costs. But The Financial Post is informed by one of the larger American publishers that contracts with Scandinavian publishers call for a fixed price on Scandinavian paper—a differential of $7 a ton in relation to the Canadian price. This means that if Canadian mills advance their price after the first quarter of 1940, the Scandinavians will likely do the same to the extent of the price increase and maintain the present differential.

Important to Canada

The action of Great Northern and the other producers, which represent an important block of American tonnage, is of first-rank importance.

Announcing a price at this time, and especially for all of 1940 (with the rebate for the last half an unknown quantity) puts the Canadian manufacturers in an exceedingly strong position to complete their price policy for next year.

In the first place the narrowing of the $2 differential between the price charged by Canadian and American mills should have a very favorable influence on relations between the American publishers and Canadian manufacturers. The wide differential as between Scandinavian and Canadian prices has not been so serious because it could be explained away by the special circumstances surrounding the export trade of the Scandinavian countries with the States.

It is not expected that the Canadian mills will make any further announcement as to their price policy in 1940 for some weeks. But the matter will not be delayed too long because of the importance of cooperating with the publishers to whom it is essential to know what their paper costs will be for all of next year.

Face Important Decision

As far as the first quarter of 1940 is concerned, the sales position of the Canadian mills is made definitely stronger by the announcement of the American mills.

When it comes to deciding upon the price for the second and remaining quarters of 1940, Canadian operators face a decision of some importance. Will they keep the differential of $1 a ton in force? Will they announce a price for longer than three months? Will they set a higher price?

There are many factors to be taken into consideration. It is a reasonable assurance that manufacturers in this country will not risk setting a price too far ahead in view of the uncertainties in the outlook. So many things could happen to affect operations or costs of the Canadian producers, that it is almost certain they will be inclined to limit any definite commitments to as short a period as possible.

Good Demand Now

Basically the law of supply and demand will rule. Since the opening of the war, Canadian producers have experienced a relatively good demand from the States for their product. Mill operations have been stepped up to a higher level than has prevailed for some months past.

This was due primarily to the wide increase in reader interest in European developments. Advertising, which usually controls the size of papers and in turn consumption of newsprint, has not been as important a factor as normally.

There is a widespread feeling in the States that this war may last only a short time. Government and business leaders have issued warnings. The result is that considerable caution is being shown by American business. The advertising trend has not been what one might expect and reader interest is showing a tendency to decline.

Plenty of Capacity

In well-informed American circles it is the belief that the rise in American newsprint consumption is going to be of limited proportions. An increase of 5%, based on present indications, is about all that can be expected. Naturally opinion toward the war and business sentiment in the States might change very quickly bringing about a broad increase in advertising and reader interest.

A 5% gain in the U.S. consumption of paper next year could be handled easily by existing facilities in American and Canadian mills. It would put no undue strain on the industry. Therefore on the subject of supply and demand, it would appear that there is no need at this time to consider seriously the possibility of a paper shortage.

Need U. S. Market

Another point is that newsprint is a highly important item in Canada's export trade. Each year Canada ships well over $100 millions of paper into the States. It is important this trade be maintained and even increased, because of the large amount of American exchange that would be made available for the Canadian Government's wartime purposes. Consequently there is little or no likelihood of any restriction on newsprint production.

There is another angle to the supply and demand situation which is not without interest. When war broke out it was anticipated that Scandinavian mills might have considerable difficulty in maintaining shipments to the American markets. More than one "bull" on the Canadian newsprint industry went so far as to envision the virtual elimination of the northern European mills from the U. S. market.

Europe Still in Market

What has happened? During September European imports of newsprint into the States were the highest in many months and considerably above the monthly average of recent years. October imports also were impressively large. While it would be a mistake at this juncture to come to any definite conclusion as to what may or may not be the position of the Scandinavian mills in the American market in the months ahead, the preliminary returns—September and October—indicate that the European mills are still to be reckoned with in considering possible sources of supply for the American market.

On the other hand Scandinavian mills, as a competitive force to the Canadian mills, are not in as strong a position as they were before the war. This conclusion does not rest upon their ability to get paper through the blockade and into the States, but rather on regularity of supplies.

It is a prime essential of the publishing business that paper must be made available when it is needed. No publisher can afford to risk an irregular supply of paper. This the Scandinavian mills are not in a position to guarantee. Therefore American publishers are looking more and more to domestic and Canadian mills for their basic supply. They will continue to buy European paper—as long as the present differential exists—but their purchases are more likely to be for reserve purposes than to meet current requirements. To that extent Canadian mills can expect to benefit by inability of the Scandinavian mills to assure regularity of shipments. But the Scandinavian paper must not be disregarded as a factor in the American paper supply, though, as previously mentioned, it is not now such an important competitive force.

Bullish Factors Seen

As the American newsprint situation appears to be developing at this stage, Canadian mills occupy a stronger position than has been the case for several years past.

Present factors, on the surface, indicate that the Canadian mills can expect, with reasonable certainty, a higher demand for their product next year and a market situation which would permit of an advance in price.

Whether or not the Canadian mills will advance the price after the first quarter of next year depends upon their attitude toward their customers.

One of the good things that has come out of the hard times experienced by the newsprint industry is a realization that irrespective of what has gone on in the past, there has been need of better relations with American publishers who take about 80% of the total Canadian output.

Adopt Sound Policy

An important step in this direction was the announcement shortly after war broke out that the industry would not attempt to profiteer. This was followed by a second announcement that the price of newsprint would remain unchanged at $50 a ton in the first quarter of 1940.

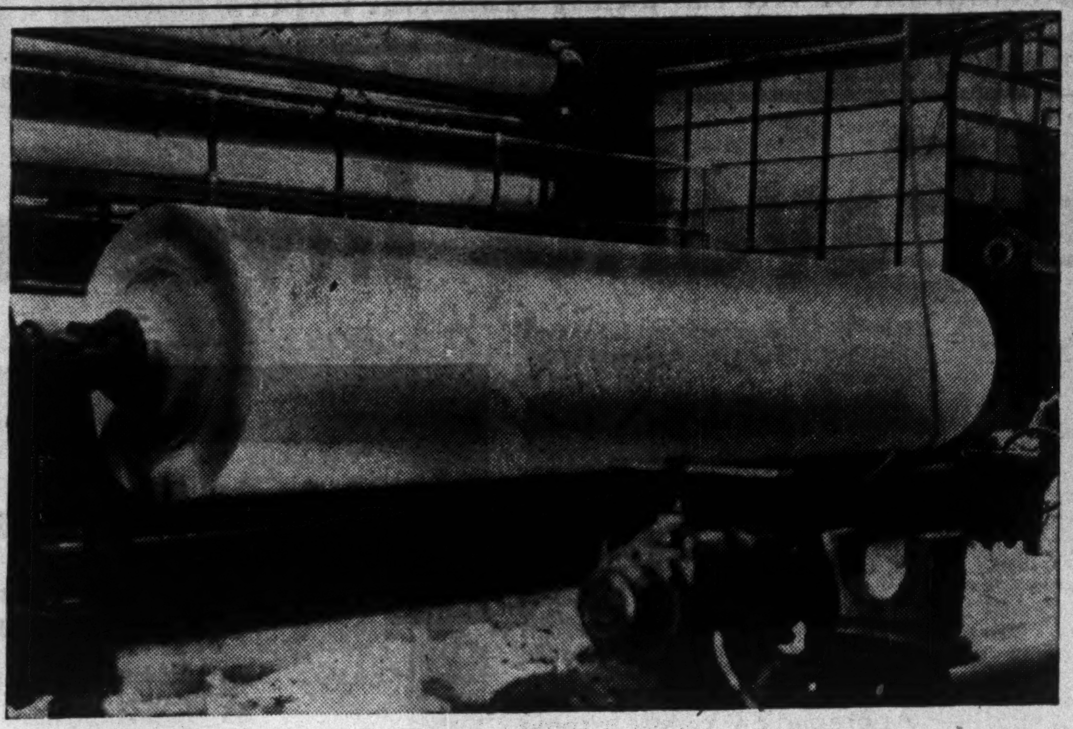
This unquestionably created goodwill for the Canadian industry among American publishers. It did more than anything else to convince the buyer that the Canadian mills were willing to "play ball."

This improvement in relations must be nurtured until it takes more permanent form. Any unwise policy, such as a sharp advance in the price of newsprint, would quickly bring about a return of the dog-eat-dog relations.

The newer trend of policy on the part of the Canadian industry does not warrant the assumption that the operators will sponsor any radical change. It is possible that by the end of 1940 Canadian newsprint deliveries to the States will be at a higher price than $50 a ton, but any increase is likely to be of very moderate proportions.

Along these lines many American publishers, though not all by any means, feel that the premium on American exchange is in effect a price increase. Naturally they would much rather pay in Canadian dollars, but this would be contrary to custom and contract requirements. On the present official rate of exchange Canadian operators receive a premium in Canadian funds of as much as $5 a ton. This is not all "velvet" but it is a very important item.

It remains to be seen how far the industry's price policy will be influenced by this factor. Certainly many of the American publishers will hope that it will keep down any price increase to minor proportions.



NEWSPRINT GETS NEW LEASE—

Mills of Canadian newsprint plants are geared to meet the accelerated demand promised by war conditions. Ontario Paper's plant at Baie Comeau, Que., like others in the Dominion, is functioning at high levels. The finished product is shown here rolling from a machine in the mill.

European Exports Continue Higher

From Our Own Correspondent

MONTREAL.—For the first 10 months of 1939 European newsprint mills supplied a greater proportion of the United States requirements than it did in the like period of 1938, despite the handicap to shipping arising from war since the early part of September.

The following table shows the sources of United States newsprint supply, expressed as a percentage of the total:

January 1 to October 31

	1939	1938
Canada	62	62
Newfoundland	2	2
U. S. mills	27	28
Europe	9	8

Screenings

British Publishers Appraise Position

In discussing effect of the increased cost of newsprint on the English publishing industry, the Investors Chronicle, London, Eng., points to the heavy additional cost to the larger metropolitan papers, but goes on to say: "To a limited extent, newspapers are protected against a jump in newsprint prices by the stocks they already hold, but, of course, their budgets must be framed on the basis of replacement costs. And there has been scope for big economies—in insurance schemes, etc., and in staff. However, there are indications that after the initial stunning blow of war, advertisers are regaining confidence, and that even those advertisers who no longer sell their goods to the public are coming to realize that the goodwill they had built up at great cost must be preserved. So, although advertising revenue must fall, the decline may not be so great as was at first expected. Finally, of course, the newspapers are not entirely defenseless themselves. With the size of the newspapers curtailed, we may see competition for advertising space, and it may be possible to raise rates. And as a last resort, the public might have to pay more for its news. That development is likely to be avoided as long as possible, although we may recall that the last war rang the death knell of the halfpenny popular daily."

Abitibi Net Up Last Month

Effect of Higher Production and Exchange Premium Illustrated

Abitibi Power & Paper Co. continued its sharp jump in earnings in October. With an increase of 9,469 tons in newsprint shipments and one of 206 tons in shipments of bleached sulphite as compared with the same month a year ago, earnings for October are $174,710 higher.

That this is hardly an entirely fair comparison, however, is illustrated by the fact that it ignores the rise in shipment of bleached sulphite pulp. Another factor that should also be pointed out is that April this year, while showing a gain of 2,292 tons in shipment of newsprint and one of 420 tons in shipment of bleached sulphite from the levels of April, 1938, there was actually reported a drop in earnings for the month of $6,486, or 3.57%. It is understood that bleached sulphite, because of unsatisfactory prices and low scale of operations until the past couple of months, has contributed practically nothing to earnings this year.

N. Y. Funds Premium

Premium on New York funds again contributed substantially to earnings in October. Of the $544,827 earned that month, $109,372 was due to this premium. This factor may also account for most of the apparently larger gains now being shown in relation to comparative figures for the early months of this year when premiums on New York funds was a negligible amount.

With a further small gain in output of newsprint forecast by G. T. Clarkson, receiver and manager, for November, the company should come very close to reporting total earnings available for depreciation and interest of $3.5 millions for 1939 which would be higher than in any recent year except 1937.

Monthly Earnings

	1939	1938	Incr.
	$	$	%
January	*162,297	114,219	42.09
February	*125,556	77,469	62.07
March	*150,400	140,258	7.23
April	*175,446	181,932	▲3.57
May	*237,830	285,264	▲16.63
June	*199,330	331,067	▲39.79
July	*191,633	256,843	▲25.39
August	*215,389	250,338	▲13.96
September	▪463,529	300,225	54.39
October	▪544,827	370,117	47.2
	2,466,237	2,307,732	6.8

▪Before depreciation charges of $148,750 and bond interest including interest on overdue and unpaid interest of $279,530.

*Before depreciation of $148,750 and bond interest of $276,530. ▲Decrease.

*Before depreciation of $148,750 and bond interest, including interest on overdue and unpaid interest, of $271,502.

Newsprint Shipments
(Short tons)

	1939	1938
January	21,688	18,058
February	20,542	16,004
March	22,333	18,239
April	24,293	22,001
May	27,201	25,412
June	24,239	27,201
July	22,199	22,960
August	25,310	24,545
September	32,694	26,741
October	37,246	29,777
	257,745	230,938

Note:—Present indications are that shipments of newsprint for November, 1939, will amount to about 37,500 tons.

Shipments of Bleached Sulphite
(Short tons)

	1939	1938
January	3,422	2,150
February	2,846	1,937
March	3,461	2,183
April	3,261	2,841
May	3,435	3,000
June	2,863	2,142
July	2,893	2,863
August	3,291	3,244
September	4,987	3,274
October	5,193	4,987
	35,652	28,631

Note:—Present indications are that shipments of bleached sulphite for November, 1939, will be approximately 5,000 tons.

U. S. Advertising Linage Records Better Trend

From Our Own Correspondent

MONTREAL.—Advertising in 52 metropolitan cities in the United States for the first 10 months of 1939 totalled 1,012 million lines. This contrasts with 994 million lines for the like period of 1938.

The trend of advertising in the last four months has followed a normal course, rising from 85.4 million lines in July to 119.6 million lines in October.

Public Utility Earnings

British Columbia Power Corp.

	October 1939	October 1938
	$	$
Gross earnings	1,331,265	1,260,754
Less: Expenses	952,438	889,279
Int., pfd. divds., etc.	188,666	190,400
Balance for A stock	190,161	181,075
Four Months Ended Oct. 31		
Gross earnings	5,223,256	4,976,504
Less: Expenses	3,802,878	3,590,972
Int., pfd. divds., etc.	754,663	760,802
Balance for A stock	**665,715**	**624,730**

Inter. Paper Boosts Income

Detailed Returns for Third Quarter Reveal Business Expansion

From Our Own Correspondent

MONTREAL.—International Paper and Power Co.'s consolidated statement for the three months ended Sept. 30, 1939, shows a net profit equivalent to 68 cents a share on the 5% convertible preferred on which undeclared dividends amounted to $11.25 a share on Sept. 30. This compares with a net profit of 1 cent a share in the same quarter of 1938 and of 8 cents a share in the three months ended June, 1939.

For the nine months ended Sept. 30, 1939, net profit was equal to 78 cents a share on the preferred as against a net loss of $688,265 in the like period of last year.

Sales for the third quarter, states Richard J. Cullen, president, were the best for any quarter since 1937. During September, price increases were announced for many grades of paper, reversing the downward tendency prevailing during the summer, but these took effect too late to have much effect on earnings for the quarter, he added.

Quarterly Earnings
Three Months Ended Sept. 30

	1939	1938
Sales & other income:	$	$
Gross sales	29,133,736	25,048,990
Other income, net	46,008	269,567
	29,179,744	25,318,557
Less expenses:		
Cost of sales:		
Wood, labor, mat., etc.	18,488,801	16,006,703
Maint & repairs	1,625,733	1,437,508
Taxes	707,079	697,933
Out. freight & del.	3,796,923	3,262,341
Sell., gen. & admin.	1,402,546	1,377,219
Doubtful accts.	153,057	150,229
Net income	3,005,606	2,386,624
Less: Int. on fund. debt	797,167	903,215
Int. on other debt	1,658	6,009
Amort. disc. & exps.	93,437	89,252
Depreciation	1,170,191	1,106,588
Depletion	208,614	168,070
Prov. for inc. taxes	82,056	83,398
Divds. accr. but not pd. on pref. stk. of subsids.	17,348	17,242
Net profit	635,133	12,850
Times Fixed Charges Earned:		
Before depr. & depl.	3.30	2.35
After depr. & depl.	1.79	1.09
Earnings per Share:		
Preferred	$0.69	$0.01
Common	d0.29	d0.63

Nine Months' Earnings
Nine Months Ended Sept. 30

	1939	1938
Sales & other income:	$	$
Gross sales	81,241,869	70,253,778
Other income, net	627,953	752,771
	81,869,822	71,006,549
Less expenses:		
Cost of sales:		
Wood, labor, mat., etc.	52,033,952	44,878,036
Maint. & repairs	4,539,054	4,224,691
Taxes	2,104,471	2,016,110
Out. freight & deliv.	10,584,433	8,738,973
Sell., gen. & admin.	4,261,184	4,098,505
Doubtful accts.	459,535	455,148
Net income	7,887,193	6,595,086
Less: Int. on fund. debt	2,512,468	2,696,193
Int. on other debt	2,266	14,512
Amort. disc. & exp.	280,313	283,221
Depreciation	3,518,075	3,259,681
Depletion	581,601	588,786
Prov. for inc. taxes	214,603	387,205
Divds. accr. but not pd. on pref. stk. of subsids.	52,566	53,753
Net profit	725,301	*688,265
*Loss.		
Times Fixed Charges Earned:		
Before depr. & depl.	2.77	2.16
After depr. & depl.	1.33	0.90
Earnings per Share:		
Preferred	$0.78	d$0.74
Common	d1.51	d2.28

In the books of the above consolidated financial statement foreign accounts are stated on the basis of $4.85 for the pound sterling and at parity of exchange for Canadian currency. It is the practice of the companies to reflect in current operations any differences between these rates and the current quotations at the time funds are actually transferred or forward commitment contracts are settled. At Sept. 30, 1939, the undeclared cumulative dividends on the outstanding cumulative convertible 5% preferred stock amounted to $11.25 per share or a total of $10,416,768. The above statements are subject to final adjustment at Dec. 31

Newsprint Freight Rate Surcharge Holds at 7%

From Our Own Correspondent

MONTREAL.—Surcharge applicable on shipments of newsprint paper prepaid to Canada for the last half of November has been set at 7% by the Canadian railroads.

ANGLO-CANADIAN
PULP AND PAPER MILLS
LIMITED

Manufacturers of
NEWSPRINT PAPER
CAPACITY: 600 TONS DAILY
OFFICES and MILLS at QUEBEC CITY
Direct Connection With Both Canadian Railways
Privately-owned Wharf on Tidewater

FRASER COMPANIES LIMITED
FRASER PAPER LIMITED
RESTIGOUCHE COMPANY LIMITED

Manufacturers of
LUMBER SULPHITE PULP PAPER BOARD
GROUNDWOOD PRINTING PAPER
BLEACHED SULPHITE PAPER
"RESTICOSE" RAYON PULP

Executive Office:
Dominion Square Bldg.,
Montreal, P.Q.

General Office:
Edmundston,
New Brunswick

The GREAT LAKES PAPER COMPANY Limited

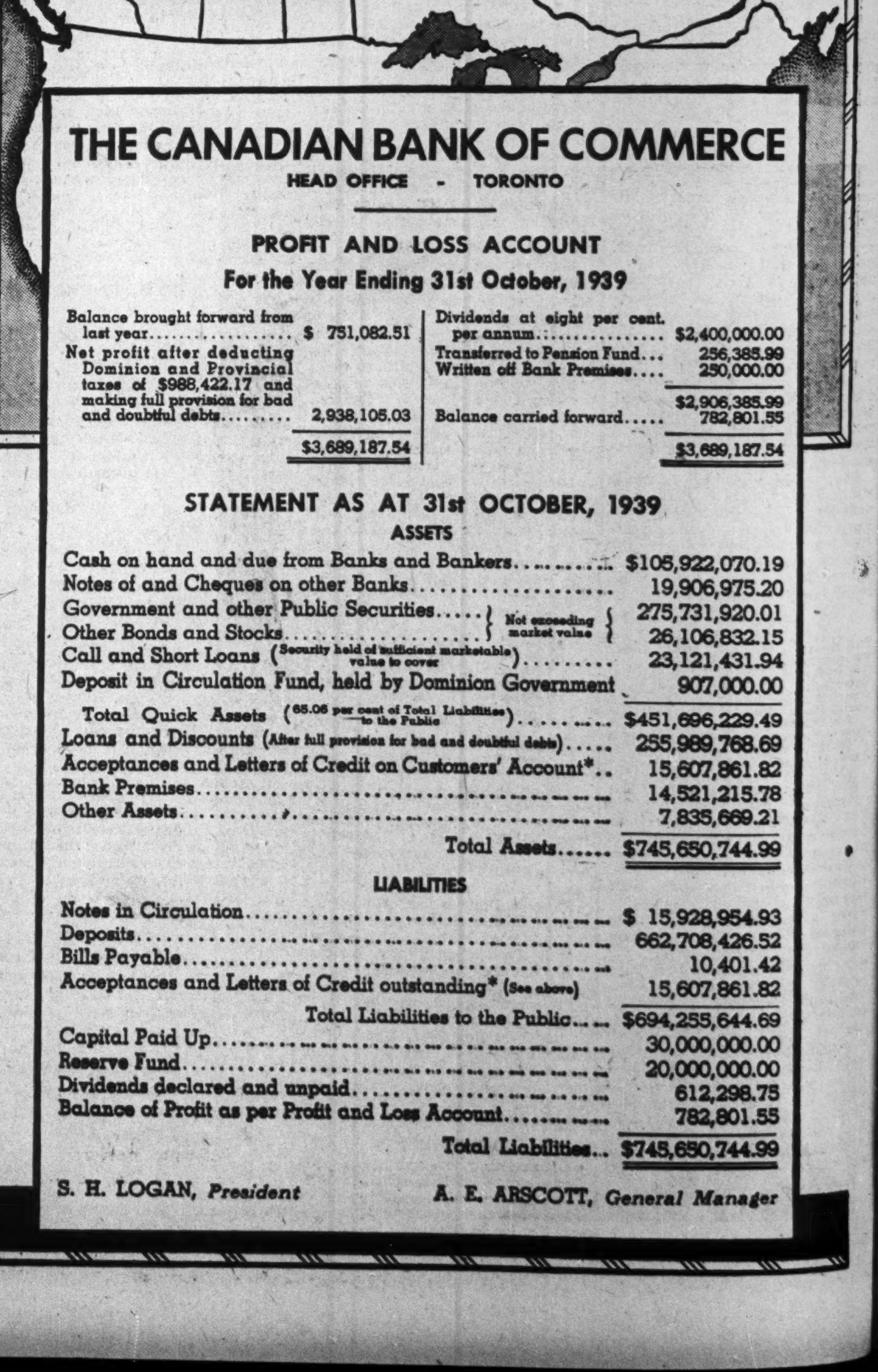
DIRECTORS
HON. EARL ROWE
President
A. D. COBBAN
Vice-President
L. E. ALDRICH
RAY LAWSON
H. PONTING
C. B. SHIELDS
R. G. MEECH, K.C.
NORMAN PATERSON

C. ENGLAND
Assistant to the President and Secretary-Treasurer

Manufacturers of
HIGH-GRADE NEWSPRINT
and
SULPHITE PULP

A modern mill affording an annual capacity of 110,000 tons newsprint, also excess sulphite mill capacity sufficient to provide 15,000 tons annually of unbleached sulphite pulp for export.

PAPER MILL AT
FORT WILLIAM, ONTARIO
TORONTO OFFICE
55 YORK STREET


The FINANCIAL POSITION of a NATION-WIDE BANK

THE CANADIAN BANK OF COMMERCE
HEAD OFFICE - TORONTO

PROFIT AND LOSS ACCOUNT
For the Year Ending 31st October, 1939

Balance brought forward from last year	$ 751,082.51	Dividends at eight per cent. per annum	$2,400,000.00
Net profit after deducting Dominion and Provincial taxes of $988,422.17 and making full provision for bad and doubtful debts	2,938,105.03	Transferred to Pension Fund	256,385.99
		Written off Bank Premises	250,000.00
			$2,906,385.99
		Balance carried forward	782,801.55
	$3,689,187.54		$3,689,187.54

STATEMENT AS AT 31st OCTOBER, 1939

ASSETS

Cash on hand and due from Banks and Bankers	$105,922,070.19
Notes of and Cheques on other Banks	19,906,975.20
Government and other Public Securities (Not exceeding market value)	275,731,920.01
Other Bonds and Stocks	26,106,832.15
Call and Short Loans (Security held of sufficient marketable value to cover)	23,121,431.94
Deposit in Circulation Fund, held by Dominion Government	907,000.00
Total Quick Assets (65.06 per cent of Total Liabilities to the Public)	$451,696,229.49
Loans and Discounts (After full provision for bad and doubtful debts)	255,989,768.69
Acceptances and Letters of Credit on Customers' Account*	15,607,861.82
Bank Premises	14,521,215.78
Other Assets	7,835,669.21
Total Assets	$745,650,744.99

LIABILITIES

Notes in Circulation	$ 15,928,954.93
Deposits	662,708,426.52
Bills Payable	10,401.42
Acceptances and Letters of Credit outstanding* (See above)	15,607,861.82
Total Liabilities to the Public	$694,255,644.69
Capital Paid Up	30,000,000.00
Reserve Fund	20,000,000.00
Dividends declared and unpaid	612,298.75
Balance of Profit as per Profit and Loss Account	782,801.55
Total Liabilities	$745,650,744.99

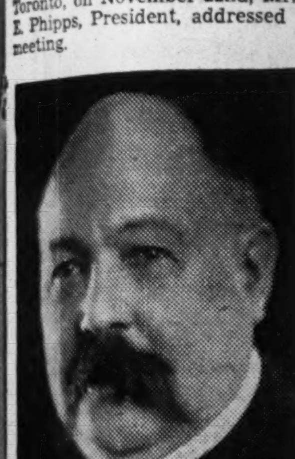
S. H. LOGAN, *President* A. E. ARSCOTT, *General Manager*

IMPERIAL BANK OF CANADA

65th Annual Meeting of Shareholders Addressed by President and General Manager

Assets and Deposits Up

The Annual Meeting of Shareholders was held at the Head Office, Toronto, on November 22nd, Mr. A. E. Phipps, President, addressed the meeting.



MR. A. E. PHIPPS, President.

THE PRESIDENT'S ADDRESS

Since early in September the British Empire has been at War with Germany and it may be interesting and profitable in commencing these remarks to touch briefly on the business condition in which the Bank in particular and Canada as a whole find themselves compared with their positions at the outbreak of the World War of twenty-five years ago.

I have with me the Annual Balance Sheet of the Bank dated 30th April, 1915, the first published balance sheet after the outbreak of the World War. It informs me that at that time the total assets of the Bank were $75,000,000., compared with $187,000,000. at the present time. We then had current account deposits of less than $8,000,000., as against $39,000,000. now; our total deposits are now $161,000,000., as against $55,000,000. then. Among the assets of the Bank the changes are no less remarkable. Leaving aside the usual items of Cash Reserves, which are proportionate, the current and other loans which were then $48,000,000. now approximate $80,000,000. The holdings of Dominion and Provincial Government securities in April, 1915, amounted to $866,000., compared with $70,000,000. in October, 1939, while the total portfolio of the Bank is now upwards of $77,000,000., compared with a mere $2,664,000. in 1915, remarkable evidence of the change which has taken place over the past quarter of a century. When we look at the Profit and Loss Statements a different picture is presented. In 1915, with only 40 per cent. of the assets we have today, the profits were $1,031,000. for the year, while now we report just under $1,000,000. Dividends were 12% then, 10% now. I may add that these changes do not appear to be different from the changes that have occurred in the affairs of other Canadian chartered Banks during the period. Modern conditions and keen competition coupled with the lower returns obtained on bonds in comparison with current loans are responsible for the reduction in the gross earnings, while higher expenses by way of increased salaries required by the improved standard of living coupled with heavy taxation of Banks which in 1914-15 was practically non-existent and this year in our case amounts to $325,000. (not including real estate and property taxes) have heavily affected the net. In 1915 the Bank had 125 Branches of which 17 were in Toronto. Now we have 195 of which 43 are in Toronto and 22 in new fields in Northern Ontario and Quebec developed during the past 25 years. In 1915 our only Branches in the North were at Cobalt, Timmins and New Liskeard.

When we examine the financial and business changes in the whole of the Dominion of Canada the findings are no less remarkable. Quoting from a very interesting pamphlet prepared by the Toronto house of Wood, Gundy & Co., Ltd., recently we find the following:

	1914	1939	Approx. Percentage Increase
Total Exports	$ 455,000,000	$ 969,000,000	113%
Manufacturing	1,407,000,000	3,623,000,000	157%
Gold Production	27,000,000	166,000,000	514%
Copper, Lead and Zinc Production	12,000,000	84,000,000	600%
Nickel Production	14,000,000	54,000,000	285%
Chartered Bank Deposits in Canada (Savings plus Demand)	1,003,000,000	2,407,000,000	140%
Assets Canadian Life Insurance Companies in Canada	258,000,000	2,250,000,000	773%
Hydraulic Turbine Horsepower Installed	2,000,000 h.p.	8,000,000 h.p.	300%

The outstanding features of these statistics are gold production up from $27,000,000. to $166,000,000., an increase of 514%; copper, lead and zinc increase, 600%; nickel production increase, 285%. Canada's total exports in the period, you will note, have more than doubled from $455,000,000. to $969,000,000.; population during the 25 years increased from 8,000,000 to 11,000,000, or 42%. Of course, no reference is made in these figures to the other side of the picture, i.e., the increase in public debt and taxes, which I shall not go into here, but if the figures I have quoted you mean anything they mean that Canada is in a vastly better position than she was at the start of the last War. Let us all hope that her effort will be sustained and will be of real assistance to the Empire in winning the War which we must and will do.

PRESENT CONDITIONS IN CANADA.

Production—Substantial improvement in Canadian economic conditions has occurred in 1939. The betterment over the preceding year was unmistakable during the first eight months, and the outbreak of hostilities has served to speed up the process. War conditions will not only require but probably will make possible the full utilization of man-power and equipment. The urgent demands in Canada and in Allied countries for supplies of different kinds will provide that impetus to expansion of production and capital investment which has been relatively slack in recent years. The mining industry is destined to play an important part in providing raw materials for war industries. The heavy exports of copper, nickel and zinc during the first two months of this conflict demonstrates the important assistance the industry is rendering to the Allied cause. The output of gold is also greater due in part to the development of new mines and the importance of our gold resources will become more and more evident as the War progresses.

AGRICULTURE.

Betterment has been marked in the position of primary producers during 1939. Crops on the whole have been more bountiful, and the return to the farmer will be far in excess of last year. The wheat crop at 478 million bushels is nearly double that of 1938, the production of oats greater than a year ago, while hay and barley were lower. Fodder crops are well distributed and there is no indication of a shortage. Dairy production is well maintained. The butter output is estimated at 215.6 million pounds in the first nine months against 217.5 million pounds, while cheese production has increased from 96.8 million pounds to 100.9 million.

Another crop of recent importance, to Ontario particularly, is tobacco, the output of which for 1938 was 98,427,000 pounds, valued at $19,563,000., with an estimated output of 85,000,000 pounds, valued at $16,000,000. for 1939. In the districts where tobacco is produced it is found a most remunerative crop for the farmer.

FORESTRY.

The forestry industries are in the vanguard of the recovery movement increasing their production by about 19 per cent. The output of newsprint has risen sharply and the present price plus the premium on American exchange are factors in placing the industry on a much more satisfactory footing. The lumber industry has been stimulated to the greatest activity since 1929 by an external demand, nearly 31 per cent. more than the preceding year. Timber scaled in British Columbia is about 2.3 billion board feet to August 31st, a gain of 40 per cent. over the same months of 1938. At the moment it looks as though the British Columbia off-shore lumber industry might be handicapped by lack of ships.

FISH AND FURS.

The sea fisheries have been more productive in the portion of 1939 for which information is available. The sale of Canada's product of the fisheries abroad amounted to $19,000,000 in the nine months. Canned fish recorded a modest gain while dried fish showed a recession. Measured by the export trade, the fur industry has been maintained in 1939. The outward shipment of furs is valued at $11,000,000., against $11,700,000. in the same period of 1938.

MANUFACTURING.

Recovery in industrial activity was demonstrated after the early months of the year. Operations in recent months are comparable with the high levels of 1929 and 1937. The primary iron and steel industry has operated on an accelerated scale in recent months, the output of steel showing a gain of nearly 3 per cent. in the first nine months. The production of tin plate and black sheets is also becoming an important item with the rolling mills, particularly at Sault Ste. Marie, where a new tin plate mill is in full production. The manufacture of motor vehicles is an important industry presenting an excellent barometer of purchasing power. The growth in the use of automobiles in Canada has been very rapid during the last twenty years. The number of registrations increased from 409,000 in 1920 to 1,395,000 in 1938, a total which is exceeded only by the United States, United Kingdom, France and Germany.

Flour milling is one of the basic natural industries and the capacity is far in excess of Canada's demands. Production during the first eight months was 9,300,000 barrels, of which 3,000,000 barrels were exported against a production of 7,500,000 barrels in the same period of the preceding year, a gain of no less than 23.4 per cent. With an increased demand at home and abroad for flour due to war operations the Canadian milling industries should be greatly stimulated.

CONSTRUCTION.

Construction records for 1939 record some betterment over 1938. Contemplated new construction reported for the first time is nearly $272 million in the first nine months against $232 million, suggesting an increased momentum. A feature which continues to be of great assistance is the Home Improvement Loan plan. I am informed that since its introduction November 1st, 1936, no less than 91,397 loans have been made with an aggregate of $37,065,729., with generally beneficial results.

RAILWAYS.

The movement of one of our largest wheat crops to the Atlantic seaboard and the accelerated traffic in industrial materials due to war participation indicate that brighter prospects are at hand for the railways. In anticipation of the greater traffic requirements orders on behalf of the two main railways were placed recently for equipment amounting to $25 million.

BONDS AND STOCK MARKET.

Dominion bonds recovered in October following the drastic decline occasioned by the commencement of hostilities. New issues of bonds of different descriptions sold during the first nine months amounted to $1,032 million, nearly 25 per cent. more than in the preceding year, Dominion financing accounting for about 60 per cent. of the whole.

Since the outbreak of the War the Dominion Government have floated with the Banks an issue of $200,000,000. of short term bonds, half of which was used for refunding an English maturity, and it is expected that a further substantial issue will be made to the public later on.

The condition of the stock market does not call for much comment. Throughout most of the year it was very depressed and trading was at a minimum. The interesting feature is the rise in recent weeks brought about by the conditions in Europe in contrast with the unsatisfactory developments in the stock markets of the world following the outbreak of the last War. To endeavor to in any way anticipate the future course of the stock market would be impossible.

PUBLIC FINANCE.

In a special War Budget presented to the House of Commons a revised estimate of total expenditures and receipts for the current fiscal year ending March 31st, 1940, was tabled. Through upward revisions in customs, excise, sales taxes, and income taxes the Minister hopes to raise an extra $40,000,000. during the period, leaving an anticipated deficit of nearly $100,000,000. for the year. It is stated that as far as possible a pay-as-you-go policy has been adopted, but as I have remarked $200,000,000. has already been borrowed with further substantial loans in the offing which indicates that the war financing will for the present tax the efforts of the Dominion to produce money both by taxation of the severest kind as well as heavy demands on the savings of the people. On the other hand, there may be some relief in diminution of the sums required for wheat bonuses, railway losses, unemployment relief, and similar expenditures which of late years have taken heavy toll of the revenues of the country.

BANKING.

The growth in banking figures has been noteworthy. According to the Government Return at the end of September quick assets of the chartered Banks have risen during the twelve months by over $142,000,000. to $1,772,000,000., the principal gains being in holdings of Government securities. Total loans and other securities advanced from $1,461,000,000. to $1,541,000,000., the feature being an increase of $62,000,000. in current loans. The grand total of all security holdings of all the chartered Banks rose in the twelve months to the unprecedented figure of $1,500,000,000. The grand total of assets is now $3,605,000,000., compared with $3,400,000,000. a year ago.

A noteworthy feature of the banking situation is the increased activities of the Bank of Canada, principally in connection with the formation of the Foreign Exchange Control Board by the Government of the Dominion of Canada. It was, of course, highly desirable and necessary that the flight of capital from Canada should be prevented immediately upon the outbreak of War, and it is to the credit of the Bank of Canada that regulations were so promptly defined and put into operation. The Foreign Exchange Control Board is functioning smoothly with a minimum of inconvenience to those having business abroad and appears to have accomplished its objective in curtailing exports of capital to an absolute minimum and then only for absolutely necessary purposes.

GENERAL CONDITIONS.

It has been customary to add paragraphs dealing with the present and future conditions in the United Kingdom, in the United States, and World conditions generally. You will realize that any such attempted analysis would be presumptuous and probably valueless at the present time. I might devote a few words to the future effect of the War upon the financial affairs of Canada as I see them. There seems to be no doubt but that the immediate effect will be much greater activity and therefore more profit. The prices of primary commodities and manufactured goods have already shown indication of rising while the swinging into action of manufacturing and business of all kinds is taking place rapidly. This activity should continue for the duration of the War. It might be expected that a period of depression and low prices will follow upon the cessation of hostilities and no doubt that will be the immediate effect of the termination of the War, but I am optimistic as to the future of the country and do not fear any great calamity either in the near or distant future and at the end of the War after the first depressing effects on industry are over I would look for a rapid and permanent development of our natural resources and trade. We still have our enormous natural resources, agriculture, timber, fisheries, minerals, and immense potential supplies of electric energy, and with these resources backed by a strong virile, well educated and intelligent population such as Canada possesses the future cannot but be one of promise and progress.

MR. H. T. JAFFRAY. General Manager.

At our Annual Meeting last year I made reference to the restricting effect which the unsettled conditions in Europe had had on business activity during the preceding year. This situation continued almost without interruption for the first ten months of the Bank's current year culminating at the beginning of September in the War in which we, with other parts of the British Empire, are now involved. This condition did not lend itself to increased earnings and consequently the Management is glad to be able to report to you profits of $966,258.53, the amount being $4,915.74 greater than the profits shown a year ago. From these profits the usual dividend of $10.00 per share amounting to $700,000. or 4.8% on combined Capital and Reserve, has been paid, and the same deductions as last year, namely $100,000, off Bank Premises and $150,000, transferred to Reserves against unforeseen contingencies have been made, leaving a balance of $16,258.53 carried forward, and making the total of our Profit and Loss Account $665,634.04 as compared with $649,375.51 on October 31st, 1938. We hope you will consider the showing satisfactory.

Turning to the Balance Sheet and taking the liabilities in order.

Notes in circulation amounted on Oct. 31, 1939, to $5,307,515, a decrease of $266,298, during the year. The limit of our Circulation is now fixed at $5,600,000, and will reduce to $5,250,000, as on 1st of January next.

DEPOSITS.

Deposits by the Public, by the Dominion of Canada and by Provincial Governments now total $161,570,752., as compared with $141,563,276. a year ago, an increase of $20,007,476., of which approximately $10,170,000. is in the balance due to the Dominion Government, $1,888,000. in balances due to Provincial Governments, $3,699,000. in deposits by the Public not bearing interest and $4,250,000. in deposits by the Public bearing interest. Balances due to Agents in Canada and Abroad total $3,887,765., an increase of $510,000. as compared with last year. In my remarks a year ago I was able to state that deposits as on October 31, 1938, had reached the high point of all time in the history of the Bank. I am glad to be able to repeat this statement as applied to October 31, 1939. These figures make a total of liabilities to the Public of $170,766,033., as compared with $150,514,062., an increase for the year of $20,251,971.

ASSETS.

Turning to the Assets—our Cash Holdings including deposit with the Bank of Canada, and balances due from the cheques on other Banks total $26,485.861.—an amount $516,000. less than a year ago, and equalling 15.5% of our total liabilities to the Public, as compared with 17.8% last year when you will perhaps remember I pointed out that I considered our Cash Reserves unnecessarily high.

MR. H. T. JAFFRAY, General Manager.

SECURITIES.

Total Dominion and Provincial Securities maturing within the next two years amount to $26,128.054. as compared with $16,048,031. a year ago,—an increase of $10,080,023.. and constituting a further reserve of over 15% against our total liabilities. Included in the amount is a substantial holding of Dominion of Canada Treasury Bills all maturing within 90 days. Dominion of Canada and Provincial direct and guaranteed securities not exceeding market value and maturing over two years hence total $43,848,582. as compared with $33,458,273. last year.—an increase of $10,390,309. I might tell you that of this total nearly 50% matures in the period between 2 and 5 years hence. Municipal securities at not more than market value total $6,196,598 compared with $5,071.147. a year ago, a moderate increase of $1,125,000., and making our total holdings of Dominion, Provincial and Municipal securities, including a small amount $35,863.. of other bonds, debentures and stocks, $76,209,099, an increase of $21,581,998. over last year's figures of $54,627.101. I would point out that of this increase approximately 50% is in Dominion and Provincial securities, including Treasury Bills maturing within the next two years.

I think you will agree that your Bank is in a liquid condition which will enable it to meet the requirements of its customers, do its part in any call that may be made upon it in furthering the War. and handle such new business as will come its way.

CALL LOANS.

Call loans at $5,200,024. again show a contraction of $254,357. from the figure of $5,454,381. given you a year ago. This contraction is, I think. moderate in view of Stock Market conditions.

Loans to Provincial Governments at $587,928. show a substantial reduction from the figure of $6,354,077. at which they stood last year. This reduction is not due to loss of any business but to the repayment of certain special transactions.

Loans to Cities, Towns, Municipalities and School Districts now stand at $7,393,783. as compared with $7,857,618. last year—an ordinary fluctuation due to better collections.

Coming down to the item of Current Loans and Discounts in Canada, I am once more glad to report to you that these show a substantial increase, the total being $64,080,745. as compared with $58,274,754. a year ago,—an increase of $5,805,991.—or nearly 10%. To a considerable extent this increase is the result of a much larger crop harvested in Western Canada and to the increased activity in various lines of business following the declaration of War.

BANK PREMISES.

During the past year new Premises were erected at South Porcupine, Ont. and our premises at St. Thomas West End branch were purchased.

You will note from the Profit and Loss Account that $100,000 has again been written off our Bank Premises, and the total now stands at $5,850,776, as compared with $5,946,044. The other items on our Balance Sheet, namely — Non-Current Loans, Real Estate other than Bank Premises. Mortgages on Real Estate Sold by the Bank, and Other Assets all stand at moderate amounts —the total of the four amounting to $799,771, as compared with $924,210 last year.

As is customary we have received from all our branches special reports on business conditions in their respective localities as at the present time. I am glad to be able to advise you that these are uniformly satisfactory and indicate a substantial improvement, the only industry where improvement still is slow is in construction. Crops, as you know, have been good throughout Ontario and particularly in the West; Industries are busy; unemployment is reduced; our Mines show increased production and woods operations are on a larger scale than last year. This situation is, of course, in a measure being brought about by war activities. but it is my opinion that the movement was on the way before the outbreak of hostilities. In connection with our increased business activities it is only fitting to note that as a result of the War these activities are being more and more controlled and regulated. We are fully prepared to accept this as a necessity in the best interests of the country, and to cooperate wholeheartedly in the carrying out of these regulations, but perhaps it might not be out of place to express the hope that when their necessity has passed our Governments will not forget that within the limitations of the law it is the inherent right of every individual to manage his own affairs.

BRANCHES

Branches of the Bank now number 195 as compared with 194 a year ago. New Branches have been opened at Pickle Crow, Central Patricia, Timagami and the Exhibition Camp, Toronto—all in the Province of Ontario, and Branches have been closed during the year at Rouyn, Que., Handel, Sask., and Pickle Crow Landing, Ont.

SHAREHOLDERS

Shareholders of the Bank now number 2,711 as compared with 2.685 a year ago. The shares held by residents of the United States total 6,635 divided among 321 shareholders as compared with 6,887 divided among 320 shareholders on October 31st, 1938.

STAFF.

The Staff of the Bank now total 1,417 as compared with 1,432 a year ago. In addition we have 20 members of the Staff who have enlisted, absent on indefinite leave of absence, positions being assured to them on their return. I wish to take the opportunity of recording my appreciation of the manner in which every member has wholeheartedly supported the interests of the Bank and the efforts of the Management during the past year. I believe we have a staff second to none in Canada.

In closing I would like to again express my appreciation of the support and assistance that I have received during the past year from your President. He spends his full time in the interests of the Bank and to his judgment and advice results of the past year are in no small measure attributable. Also, it is again my privilege to record the help that has been afforded to the Management by the Chairman of the Board, the Vice-Presidents and every member of the Board of Directors.

The following were elected Directors:

Messrs. Frank A. Rolph; A. E. Phipps; Col. J. F. Michie; R. S. Waldie; G. C. Heintzman; J. W. Hobbs; Walter C. Laidlaw; John A. Northway; G. H. Aikins, K.C., Winnipeg; H. E. Sellers, Winnipeg; R. O. McCulloch, Galt; W. B. Woods; Arthur L. Bishop; E. E. Buckerfield, Vancouver; C. G Cockshutt, Brantford

A subsequent meeting of the Directors elected — Mr. Frank A. Rolph, Chairman of the Board; Mr. A. E. Phipps, President; Col. J. F. Michie and Mr. R. S. Waldie, Vice-Presidents.

Banking

Would Install Sentinel To Prevent Robberies

Suggestion of Hidden Watchman for Banks Not Favored by Officials, However — Reduced Amount of Money on Hand Lessens Risk

Recent epidemic of bank robberies has again revived discussion of preventive methods which might be followed.

Some time ago Norman F. Newton, crown attorney at London, Ont., made some suggestions which, however, did not meet with the approval of banking officials.

Apropos of the same subject, A. T. Wilgess, of Cobourg, has written The Financial Post as follows:

In a recent issue of The Financial Post I notice some suggestions by Crown-Attorney Newton, of London, Ont. for the prevention of the robbery-under-arms of banks. For several years past Canadian banks in town and country have been periodically robbed; yet the bank authorities placidly ignore a simple and effective (and obvious) safeguard. Hearken to the testimony of Eddie Bentz, Master Craftsman in the Art of Bank Robbery, as related by him to Courtney Riley Cooper in his recent (1937) book, "Here's to Crime!"

In the chapter entitled "How to rob a bank," Eddie Bentz says: "There's always one thing that I watched for when I was casing a jug. I was always careful to see that there wasn't a woman or an old man stuck off somewhere up high at a place which couldn't be reached easy by a stairway, and where there was a telephone. Nobody in the business ever worries over a squawker—you know, those horns or bells that are rung outside to give the good citizens the news that the bank is being robbed. All that does is to tip off the outside guards of the heister crew that some employee has stepped on the button. But when there's an employee like a telephone operator, or an old, cool-headed bookkeeper, stuck away off somewhere at a place where a guy can't throw a gun on him, and where he can look down on everything,—that's the kind of a bank not to rob. Why, he can telephone news of the robbery without anybody knowing it, and the first thing a yegg knows, the whole block is lousy with harness-bulls. Keep away from that kind of banks. I've often wondered why more banks aren't set up that way."

With many other people I also have often wondered why our bank offices are not equipped with a masked gallery or room overlooking the teller's cage from which a clerk could either telephone or shoot (or do both) in case of a hold-up. Are not the banks sufficiently interested?

Several bank inspectors to whom this suggestion was made stated that such a method would prove to be too expensive. They pointed out that most of the robberies take place in relatively small city or country branches. To install a guard system such as that suggested by Mr. Bentz would entail greater expense than was justified by the number of robberies. It would mean, they stated, that such a guard would have to be segregated from the rest of the staff and would probably be unable to do anything else than watch. The banks, they pointed out, had in recent years been making a specialty of keeping only a limited amount of money in such branches, so that the robbers where successful had been getting much smaller amounts of cash.

Tellers are also instructed to keep in their tills only sufficient cash for their immediate needs, the balance of the money in the office being kept locked up in the vault.

Mr. Newton's suggestions were:

1. A simple electrical alarm system, operated by a button at the cashier's cage, connected to a bell at the bank entrance. Under such a system, people within several blocks would know immediately that a robbery was being attempted.

2. If banks were to take a record of the serial number of all bank notes handled each day, it would be a further protection as stolen notes could be traced more easily.

At the time banking officials stated that his first suggestion would probably endanger the lives of the staff. All larger branches, they said, are protected with burglar alarms which ring in police headquarters. The second suggestion was stated to be impracticable.

Bank Chat

Imperial Bank

One thing of general interest in the annual statement of the Imperial Bank of Canada issued last week was that total assets at $188 millions were the highest in the history of the bank.

Among these greater assets was an expansion of $6 millions in current loans, reflecting improved business conditions.

Loans to provincial governments were $587,928 against $6.3 millions, a reduction of almost $5.8 millions, while call loans were down about $250,000.

The increase in investments was mainly in government issues, holdings of long term and short term issues being up about $10 millions each. Holdings of municipal securities were $1.1 million higher. Cash at $15 millions was about the same as the previous year.

Part of the increase in short term investments was accounted for by the bank's share of the recent $200 million Dominion loan. This was also reflected on the liability side in the increase of about $10 millions in Dominion Government deposits with the bank. When the short term issues were bought the bank simply put the money to the credit of the Government as a deposit.

Savings deposits by the public were up $4.2 millions and demand deposits $3.7 millions higher. Note circulation was down $267,000 pursuant to the regulations requiring a reduction in the note circulation of the chartered banks.

Total quickly available securities at $76.2 millions compared with $54.6 millions at Oct. 31, 1938. The liquid position of the bank continued strong, the ratio of quickly available assets to total public liabilities being 67%, the same as last year.

N.B. Liberals Majority Cut

New Brunswick voters have endorsed the policies of the Liberal administration headed by Premier A. A. Dysart, though not by a very large margin.

As a result of the election held on Nov. 20 the Government finds itself faced with a stronger opposition, Conservatives gaining 16 seats. Thus, the Government will have a majority of only six members in the new legislature.

No particular significance was attached to the election. Issues involved were purely local ones. The Government sought re-election largely on its record and the principal point of attack of the opposition was the financial and highway administration of the Government.

One of the features of the election was the defeat of three cabinet ministers—Hon. J. B. McNair, Attorney-General; Hon. A. P. Paterson, Minister of Education, Federal and Municipal Relations; and Hon. E. J. Henneberry, president of the Executive Council.

Defeat of Attorney-General McNair and Hon. A. P. Paterson may make the New Brunswick Government more amenable to proposals to adjust Dominion-Provincial financial relations.

BANK EXECUTIVE

W. D. Black, of Hamilton, has been elected a member of the executive committee of the Bank of Canada to fill the vacancy created by the death of Thomas Bradshaw. Mr. Black is president and general manager of the Otis-Fensom Elevator Co. and past president of the Canadian Manufacturers' Association.

Barclay's Bank Has Good Year

International Tension Fails to Arrest Upward Business Trend

Prolonged international nervous tension and its accompanying series of disquieting shocks failed to arrest substantially the upward trend of Canadian business during the year, H. A. Stevenson, vice-president and general manager of Barclays Bank (Canada) told the shareholders at the annual meeting in Montreal this week. "Consequently," Mr. Stevenson added, "the bank enjoyed a very satisfactory year.

"Apprehension as to future stability in several foreign countries," he continued, "and Canada's outstanding attractions as a haven of financial refuge, prompted an influx of funds from abroad. . . . A very gratifying advancement in the purely domestic business field was also achieved."

In viewing the banking situation, A. A. Magee, president, stated that the Canadian banking system was well prepared to meet the shocks of war and also to participate fully in Canada's war effort.

Comparison of the bank's figures for a number of items at Sept. 30 when the bank's year closes follows:

	Sept. 30 1939 $	Sept. 30 1938 $
Total assets	26,015,312	24,124,256
Current loans	1,978,381	957,605
Call loans	522,644	694,287
Investments	11,504,071	10,420,355
Savings deposits	8,922,669	7,951,880
Demand deposits	3,498,308	3,561,331
Note circulation	429,480	384,420
Capital paid-up	1,500,000	1,500,000
Reserve	750,000	750,000

Weekly Statement Bank of Canada

Continuation of the swing from long term investments to short term issues is shown in the statement of the Bank of Canada for the week ended Nov. 15. Holdings of short terms were shown at $211 millions, up $21 millions from the previous week while long term investments at $45 millions were down about $9 millions. Reserves of sterling and United States exchange were $3 millions higher at $48 millions which only replaces part of the shrinkage in this item in recent weeks.

The item of $1 million under advances to the chartered banks has disappeared from the statement indicating that this has been repaid by the borrower. The return of the chartered banks for October, due to be issued soon, will show what bank it was.

Balance Sheet

	Nov. 15 1939 $	Nov. 8 1939 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	224,968,811	228,842,200
Rest fund	1,903,515	1,903,515
Depos.: Dom.	43,858,965	37,546,296
Banks	223,425,606	225,752,030
Other	30,886,486	19,630,241
Total deposits	298,171,057	282,928,567
All other liabs.	13,123,429	6,780,355
Total liabs.	543,166,812	523,454,636
Assets		
Reserve: Gold	225,674,987	225,674,987
Res. in sterling and U. S.	48,810,056	45,659,702
Other curr.	1,494	1,163
Total reserve	274,486,537	271,335,852
Subsidiary coin	140,645	178,044
Investments:		
Dom. govt. short.	211,040,978	190,820,105
Other Dom. govt.	45,901,375	54,893,055
Total invest.	256,942,353	245,713,160
Premises	1,665,508	1,665,508
All other assets	9,931,769	4,562,073
	543,166,812	523,454,637
Reserve ratio	52.46%	53.22%

Weekly Bank Clearings

	Nov. 16 1939 $	Change yr. ago %	Nov. 9 1939 $
Halifax	2,843,444	+20.8	3,342,877
Saint John	1,867,142	+19.0	2,059,255
Moncton	712,501	—5.6	890,773
Sherbrooke	835,312	+7.8	977,508
Quebec	4,542,954	—13.3	6,216,126
Montreal	91,726,641	—41.7	100,035,752
Ottawa	16,035,474	+10.4	33,180,392
Kingston	601,453	+17.3	650,452
Peterborough	573,774	—7.2	588,194
Toronto	99,108,423	—20.7	101,455,471
Hamilton	5,699,563	+25.4	5,770,860
Kitchener	1,098,355	—6.9	1,237,816
Brantford	813,128	+2.6	942,903
London	2,499,129	+6.8	2,661,908
Chatham	639,542	—12.5	689,734
Windsor	2,512,824	—17.1	2,606,021
Sarnia	369,843	—27.2	485,913
Sudbury	1,119,503	+20.1	997,658
Fort William	713,969	+5.0	812,710
Winnipeg	74,535,991	+81.7	54,852,511
Brandon	358,445	+14.2	440,858
Regina	5,678,968	+56.3	6,599,028
Moose Jaw	701,624	+16.7	765,345
Saskatoon	1,636,354	+32.2	1,957,340
Prince Albert	399,816	+21.8	462,181
Edmonton	4,359,475	+14.9	4,883,027
Calgary	6,573,647	+7.1	6,919,956
Lethbridge	914,421	+42.5	887,956
Medicine Hat	249,014	—5.4	333,607
N. W'minster	562,125	—5.5	646,973
Vancouver	16,316,537	+7.5	17,472,275
Victoria	1,649,461	+13.5	1,854,663

Dunning Rejoins Board Can. Investment Fund

From Our Own Correspondent

MONTREAL.—Hon. Charles A. Dunning, formerly Minister of Finance for Canada, has been elected a director of Canadian Investment Fund. It will be recalled that Mr. Dunning was a director of this company prior to his re-entrance into the Federal political field, when he gave up his business affiliations.

Higher Profits For Commerce

Gains Also Shown in Assets, Loans and Deposits

Improvement in all important items is reflected in the annual financial statement of the Canadian Bank of Commerce for the 12 months ended October 31. Accurate comparison with the showing in the previous statement is difficult because, owing to a change in the fiscal year, the figures issued in 1938 covered 11 months only. However, even allowing for this the changes in the bank's position are favorable, especially as they reflect improvement in business generally.

Net profits at $2.9 millions are $289,130 higher than a year ago. Allowing for the difference of one month, the gain of over $265,000 is still substantial. On a per share basis the earnings are equal to $8.94 compared with $8.04 a year ago, and $8.91 for a full 12 months ended Nov. 30, 1937. Dividends paid during the year were $8 a share.

When from the total net profits deductions are made for dividends, appropriation to pension fund and write-off for depreciation, a balance of $31,720 is left at credit of profit and loss. For the previous 11 months $11,757 was shown.

In the balance sheet total quick assets are shown at $451.6 millions, up $42.6 millions from the previous year. This included cash of over $58 millions, bringing total cash and cash items up to $125.8 millions.

Total quick assets were equal to 65% of total liabilities to the public compared with 66.23% a year ago.

Investments Up

An increase in total investments resulted from an expansion of holdings of all classes of securities except municipal bonds. These were down $213,000 to $9.5 millions. Holdings of short term government issues were up by $37.9 millions, the increase being due largely to the bank's participation in the $200 million Dominion loan floated in October. Holdings of long term issues were up by only $61,850.

In the loan account, call loans both in and out of Canada were down from a year ago, reflecting the smaller amount of speculative activity.

Current Loans Gain

Current loans in Canada were up $38 millions to $201.7 millions, reflecting the demand for credit for the crop movement and the more active business conditions.

Loans to provinces and municipalities were lower.

The recent disturbance in foreign trade relations was reflected in a decline of over $2 millions in letters of credit compared with a year ago.

All classes of deposits were higher than at Oct. 31 last year.

Profit and Loss Statement

	12 mos. 1939 $	11 mos. 1938 $
Net profit	2,938,105	2,648,975
Less: Dividends	2,400,000	2,200,000
Tr. pension funds	256,385	237,218
W/o bk. premises	250,000	200,000
Surplus	31,720	11,757
Prev. surplus	751,083	739,326
Bal. forward	782,802	751,083
Earned per share	8.94	8.04
Divds. pd. per share	8.00	7.33

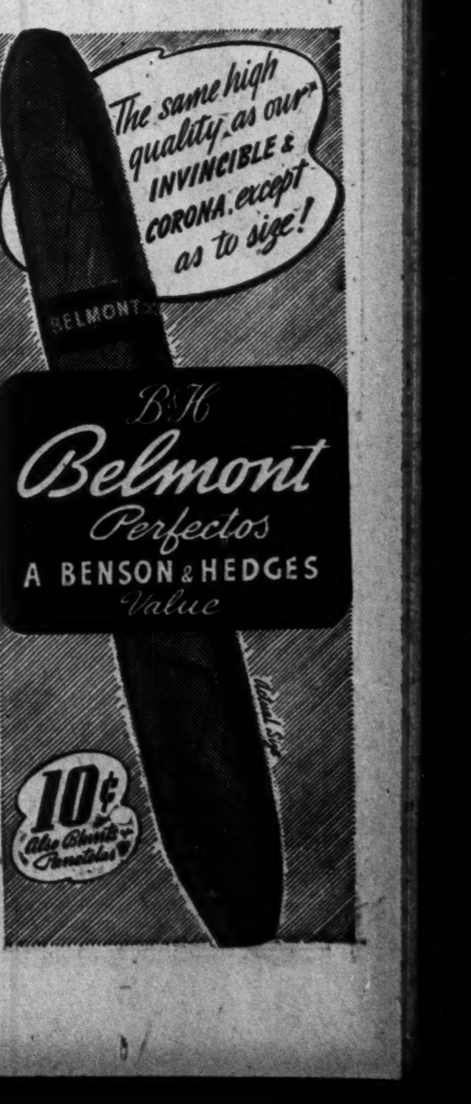
Balance Sheet

	Oct. 31 1939 $	Oct. 31 1938 $
Assets		
Cash*	125,829,045	117,058,483
Investments	301,838,750	259,592,540
Call loans Canada	12,685,597	15,481,367
Call loans ex-Can.	10,435,833	15,839,525
Current loans Can.	201,774,851	163,508,858
Curr. loans ex-Can.	22,591,279	17,913,123
Loans to provinces	8,206,041	8,349,007
Loans to municip.	20,480,045	22,765,832
Bank premises	14,521,215	14,633,745
Letters of credit	15,607,861	17,753,617
Other assets	11,680,222	12,337,582
Total	745,650,744	665,233,291
Liabilities		
Note circulation	15,928,954	18,093,838
Dom. govt. deposits	50,990,218	4,381,094
Prov. govt. deposits	13,876,053	10,460,430
Demand deposits	211,280,324	182,718,778
Savings deposits	374,553,176	366,766,804
Due other banks (Canada)	870,907	1,513,173
Due foreign banks	11,137,746	12,172,958
Bills payable	10,401	11,844
Letters of credit	15,607,861	17,752,617
Divd. declared but unpaid	12,298	609,672
Divd. payable Nov. 1	600,000	600,000
Paid-up capital	30,000,000	30,000,000
Reserve	20,000,000	20,000,000
Profit & loss bal.	782,801	751,083
Total	745,650,744	665,233,291

* Including notes and cheques of other banks and governments.

EASY DIVIDEND

Easy Washing Machine Co. paid a dividend of 17½ cents a share on its 7% preferred stock on Nov. 15, 1939, to shareholders of record Oct. 13. Arrears at Oct. 1, 1939 amounted to 87½ cents a share, after taking into account the payment on Nov. 15.


The same high quality as our INVINCIBLE & CORONA except as to size!
BELMONT
B&H
Belmont Perfectos
A BENSON & HEDGES Value
10¢

Before You Insure
Consult
Confederation
Life
Association
One of the World's Great
Life Insurance Institutions.
Renowned for Strength,
Service and Security
Since 1871.

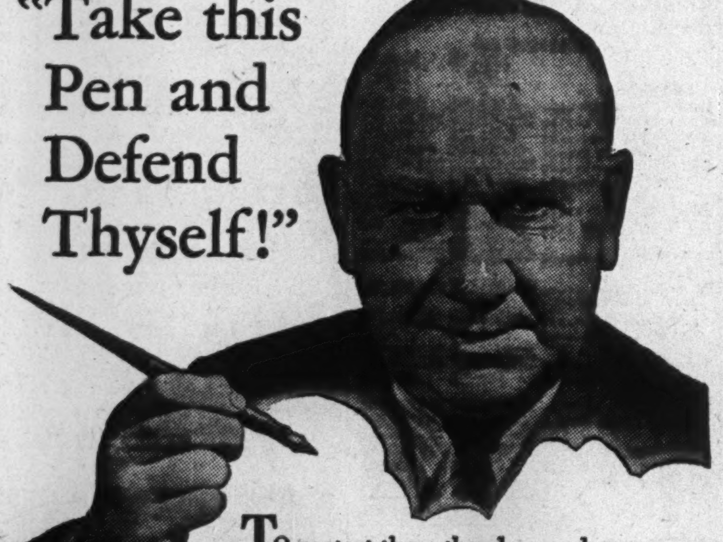
THE
WAWANESA
Mutual Insurance Co.
— ORGANIZED IN 1896 —
Assets $2,234,188.78
Surplus .. 1,057,853.38
INSIST ON SECURITY—Then place your insurance on the basis of Broad Coverage and Favorable Rate — and save money on your Fire Premiums.
Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

A MUTUAL COMPANY
NORTH AMERICAN LIFE
Solid as the Continent
Head Office:
Toronto, Ont.
ALL PROFITS FOR POLICYHOLDERS

THE WESTERN ASSURANCE COMPANY
TORONTO · CANADA
INCORPORATED 1851
FIRE — CASUALTY — MARINE
AUTOMOBILE — AVIATION

INSURE WITH
The EXCELSIOR LIFE
INSURANCE · COMPANY
A STRONG CANADIAN COMPANY
HEAD OFFICE:
TORONTO

"Take this
Pen and
Defend
Thyself!"



To protect those they love and even themselves from immediate physical danger, men often rise to the greatest heroism. Is it not strange that the possibility of future disaster should so often leave them undisturbed?

A family left without adequate support—an old age dependent on others—few men are so happily placed that they can disregard these possibilities. Protection against them is justified even at a sacrifice.

Yet the remedy is not even heroic — just a signature on an application for Life Insurance and thereafter a little sensible thrift.

If you have not made adequate provision for your family's and your own future, do not delay. A few strokes of the pen can accomplish so much — bring the happiness of security to those you love—the certainty of a manly independence to you.

Take this pen and defend thyself!

THE
MANUFACTURERS LIFE
INSURANCE COMPANY
HEAD OFFICE TORONTO, CANADA
ESTABLISHED 1887

Insurance

Inspection is Feature Of Elevator Insurance

Prevention of Accident Regarded By Most Property Owners as More Valuable Than Compensation Feature—Minor Mishaps Often Costly

In the average building, the elevators are usually regarded as just as safe as the stairway or the vestibule at the entrance. This is because elevator accidents are relatively few. But they do occur in stores, hotels, office buildings, etc., and consequently a considerable volume of elevator insurance is written in Canada each year.

One does not have to go through a bad accident to realize the possibilities. Not infrequently an elevator will get stuck between two floors and if it is not released quickly much inconvenience and possibly loss will result to the businessman who may be kept late for an important appointment.

But if the car had fallen to the bottom of the shaft, the results would probably have been a good deal worse. Similar effects might be experienced if the elevator refused to stop on its upward flight, and crashed against the top of the penthouse.

Public Wants Safety

When these things do happen, the public looks to the owner or lessee of the building for compensation. The ordinary citizen expects safety in all elevators and if he suffers through some fault in the mechanism or operation of them he looks to the party responsible to make the damage good.

One reason that there are not more accidents in elevators is that most of them are insured.

Insurance itself does not prevent the accident happening. It simply gives assurance of financial coverage in event of a claim resulting from some mishap. But one of the important provisions of the contract is that it includes careful inspection of the equipment at regular intervals. These inspections in the past have been so efficient that they have made compensation for losses the minor feature of the coverage given. In the majority of cases where accidents have occurred there has not been adequate inspection.

Prevention Feature

Just like a steam boiler or an automobile, efficient examination in the great majority of cases will reveal any defects which may have developed in materials or anything that has gone wrong with the working parts. This preventive element is the one that appeals to most owners of buildings, who, irrespective of the fact that they might not be called on to make good any damages, do not want an accident on their premises. Accidents are bad for business.

But apart from those which happen when cables or brakes fail to work there are a number of minor mischances that may occur.

If the car is brought to a stop a few inches above or below the floor of the building some one may stumble and do himself considerable injury.

If the car is crowded at the rush hour somebody may easily get a finger crushed or get their clothes damaged.

Damages of this kind though appearing simple are not infrequent and often run into high figures. If the owner or lessee of the building is not covered by insurance he may be called on to pay heavy costs.

Ownership of a building is looked on by many people as indicating wealth and juries accordingly often regulate their awards on this basis. Elevator insurance policies on the market give protection against these various happenings.

Like automobile policies they carry stated limits. The standard limit of $5,000 for one person and $10,000 for one accident is usually regarded as too low as in event of an accident happening. It is probable that a number of people might be injured, when the total losses would considerably exceed the amount of the insurance carried and the property owner or lessee would have to make good the excess.

See Long Fight In Tobacco Case

Alberta Supreme Court Refuses to Quash "Combine" Charges

From Our Own Correspondent

EDMONTON.—Continued lengthy litigation on "combine" charges against 42 tobacco companies and jobbers appeared certain to take place in Alberta courts as result of last week's Alberta Supreme Court refusal of a motion to quash the charges. Judgment refusing the motion to quash was brought down by Mr. Justice Ewing.

Lionel A. Forsythe, K.C., of Montreal, acting on behalf of counsel for 42 of 44 companies indicted on combine charges, brought the motion to quash October 31. At the time of motion, he indicated he would carry the motion to the Alberta Appeal Court for decision if the Supreme Court rejected it.

Mr. Forsythe based his motion to quash on an argument that charges were not sufficiently specific and covered too long a period to be proper charges.

Mr. Justice Ewing ruled: "I am of the opinion that each offense is sufficiently specified and is sufficiently stated in substance."

He contended that ". . . in the present charges the time is very extended, namely over nine years, and the place is somewhat general, in Edmonton, Calgary and elsewhere in the province, but the specific transaction herein charged is an agreement, within that time, and within that place to restrain or injure trade or commerce in tobacco and tobacco products."

The jurist also wrote that "objects of the alleged conspiracy are not in themselves illegal acts. They are acts which if done by a single person or if done by many persons without an agreement or a combination would be quite legal.

" . . . nevertheless when they become the subject matter of an agreement or combination, stamp such agreement or combination with illegality."

FIDELITY
Insurance Company
of Canada
TORONTO

DIRECTOR

E. P. Taylor has been elected a director of The Excelsior Life Insurance Co. Mr. Taylor is president of Canadian Breweries Ltd. and on the boards of a number of other Canadian companies.

Insurance Problems

Auto Passenger Hazard

I understand the law in Ontario excludes an automobile operator from financial liability for damages sustained by anyone riding as a free passenger in the car. Sometimes when driving to another town I take one or two friends with me. They usually contribute something toward the cost of the trip. Does this make them paid as distinct from free passengers? If any of them were injured would I be liable for damages?

It has been pretty well established that in such cases as you mention the passenger is not regarded as a paid passenger. Nor is the operator of the automobile liable. Sharing the expenses on a voluntary basis is not looked on the same as paying a set charge. Especially is this so when the practice is indulged in only occasionally. You would be well advised, however, if you have insurance, to consult with your insurance counsellor. The point is one which might easily be affected by some condition which to the layman looks very unimportant. You are aware, of course, that the passenger hazard exclusion applies only to accidents on the public highway. If you had an accident in a private driveway or a parking lot, for instance, you could be held liable for injuries to your passenger. The extra premium charged for passenger hazard insurance is very small. It gives protection under all circumstances and in provinces or states where there is no exclusion. Many motorists prefer to carry it because of the feeling of security it gives.

Steam Boiler Insurance

Is steam boiler insurance compulsory in Ontario? If so, who pays the premium in the case of a rented building, the owner or the tenant? Please give me any information you have on either of these points.

Steam boiler insurance is not compulsory in Ontario. Where there is no insurance, however, the boiler must be inspected by the boiler inspection branch of the Department of Labor. If it is found in good order, a certificate to that effect will be issued. If the boiler is not in proper condition, the necessary repairs are recommended and, until they are made, certificate will not be issued nor can the boiler be operated. A moderate fee is charged for each inspection. Where insurance is carried, the inspection is made by the insurance company, which issues a certificate that is recognized by the government authorities. This inspection is part of the service given under the insurance policy.

In ordinary practice, where a steam boiler in a rented building is insured, the tenant pays the premium. The same thing usually obtains as regards inspection fees charged by the Government, if there is no insurance. In either case responsibility, however, should be stated in the lease.

Sources of Prospects For Life Underwriters

Young life insurance salesmen sometimes complain of the difficulty in building up a list of suitable prospects.

An outstanding underwriter recently listed his sources of prospects as follows:

City directory and telephone book.

New families that have recently moved into his district.

Daily newspapers.

Club memberships.

Factory telephone lists of employees.

School teachers who have been appointed to the permanent staff.

Notices of births.

Promotions and transfers to new positions.

House organs of large concerns. He gets many of these, he says, in the waiting rooms of these companies while waiting to see a prospect.

Fire Insurance and Allied Lines
AGENCY INQUIRIES INVITED
NATIONAL RETAILERS
MUTUAL INSURANCE COMPANY
SERVICE SAVING SECURITY

THE
Dominion of Canada
GENERAL
Insurance Company
Established 1887
Fire Casualty Life

Fire Marshal Suggests Fire Prevention Steps

To reduce fire waste and prevent interference with Canada's wartime production, from accidental fires or sabotage, W. J. Scott, Ontario Fire Marshal, is distributing to manufacturers a bulletin containing a number of suggestions.

These are divided into three sections under the headings of general fire prevention, inspection of premises, and protection against sabotage.

The first section emphasizes the ordinary precautions to be taken against fire and urges a number of measures specially important under war conditions, as follows:

Decide on the best methods of fire fighting, to suit the particular industry and premises.

In protected or prohibited premises, under the Defense of Canada Regulations, arrange for the immediate admission at the gates or barriers of the fire department apparatus, in the event of a fire call.

In premises guarded by fences or barriers, make sure they are so designed as not to bar access to hydrants or hamper the fire department.

Install such fire protection equipment as may be necessary, including sprinkler systems, alarms, buckets of water, sand, etc.

Investigate every fire that occurs, even the most trivial. This checks carelessness and deters any arsonist.

As regards inspection of premises, Mr. Scott, in addition to suggesting what should be included in a general inspection, submits a model self-inspection blank for industrial plants listing the individual items that should be checked by plant owners.

As special precautions against sabotage Mr. Scott suggests:

Adequate watchmen and guard services day and night.

Protecting the premises with a proper guard fence.

Careful check of all employees as to antecedents, country of birth and war sympathies.

Exclusion of unauthorized persons from the premises.

Inspection of all luggage or shipments of materials coming into the plant.

Guarding particularly any vital machinery that would be easy for an expert to wreck.

Obituaries

W. R. Montgomery, vice-president and Quebec manager, John A. Huston & Co., manufacturers' agents of Toronto, aged 64, at Montreal.

* * *

Ward Wright, of Wright & McMillan, barristers, Toronto, president Central Porcupine Mines Ltd., vice-president Algoma Steel Corp., and T. G. Bright & Co., and director T. E. Bissell Co., Canada Malting Co., Standard Paving and Materials Co., Monarch Mortgage & Investments Ltd., Chartered Trust & Executor Co., Waterloo Manufacturing Co., Consolidated Sand & Gravel Ltd., Ferranti Electric Co., Preston East Dome Mines Ltd., and Standard Steel Construction Co., aged 54, at Toronto.

* * *

John Fairlie, partner of Timmins, Fairlie and Borrie of Montreal at Montreal.

APPOINTED MANAGER

J. J. O'Grady, C.L.U., has been appointed manager for the Toronto Yonge and Richmond division of the Confederation Life Association. Mr. O'Grady was formerly in charge of the Confederation Life group sales division in Eastern Canada with headquarters at Montreal.

Toronto Insurance Men Charged With Conspiracy

Charges of conspiracy to defraud were brought against a number of insurance men in Toronto last week. The alleged method of operation was that they would induce claimants for damages, especially in the case of automobile accidents, to accept in settlement smaller sums of money than they might otherwise have obtained. Those arrested are W. B. Coatts (Provincial Service Agency), Grover Leyland, insurance agents; G. Deans Buchan and C. Wallace Pitt, insurance adjusters, and H. A. Newall and H. S. Wegg, lawyers. The charges were laid on instructions from the Attorney-General following investigation by Hartley D. McNairn, Superintendent of Insurance for Ontario.

THE MOST
Fortunate
DAY OF MY LIFE . .

was the day I bought a British Northwestern "Star" Accident Policy. Otherwise, the simple little painting job I was doing around the house would have cost me a small fortune. I fell off the ladder and fractured my right thigh.

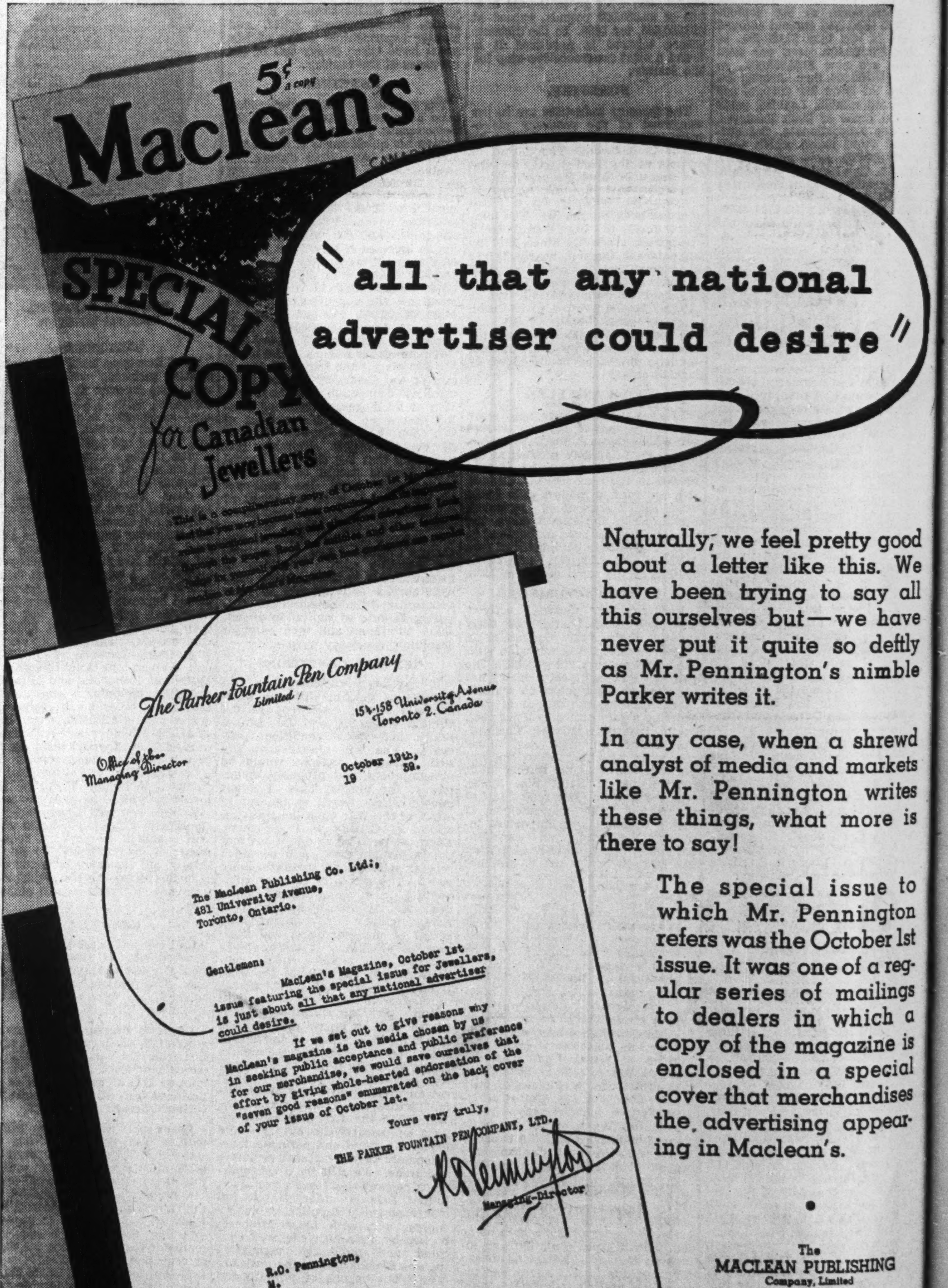
In the hospital I received the finest attention, and knowing that my "Star" Accident Policy was taking care of expenses, I was able to concentrate on getting well.

That was six months ago. It took almost three months to make me a well man, but today I am 100% and my "Star" Policy gets a major part of the credit. Not having to worry about loss of income or extra expenses was a constant source of comfort.

Make enquiry now and learn how our "Star" Accident Policy can help *you*. It is up-to-date and flexible; it can be made to fit your needs and it definitely gives the utmost in protection at lowest cost.

BRITISH NORTHWESTERN
FIRE INSURANCE COMPANY
Head Office for Canada: 217 Bay Street, Toronto
J. H. Riddel, *Managing Director* V. G. Creber, *Asst. Manager*
A. C. Ruby, *Br. Mgr.*, WINNIPEG M. Nevill, *Br. Mgr.*, VANCOUVER

Crown Life Progress reflects Public Approval
CROWN LIFE
INSURANCE COMPANY
Established 1900
Home Office Toronto



5¢ a copy
Maclean's
CANADA'S NATIONAL MAGAZINE
SPECIAL COPY for Canadian Jewellers

"all that any national advertiser could desire"

The Parker Fountain Pen Company
Limited
154-158 University Avenue
Toronto 2. Canada

Office of the
Managing Director

October 19th,
19 39.

The MacLean Publishing Co. Ltd.,
481 University Avenue,
Toronto, Ontario.

Gentlemen:

MacLean's Magazine, October 1st issue featuring the special issue for Jewellers, is just about all that any national advertiser could desire.

If we set out to give reasons why MacLean's magazine is the media chosen by us in seeking public acceptance and public preference for our merchandise, we would save ourselves that effort by giving whole-hearted endorsation of the "seven good reasons" enumerated on the back cover of your issue of October 1st.

Yours very truly,
THE PARKER FOUNTAIN PEN COMPANY, LTD.
R. O. Pennington
Managing-Director

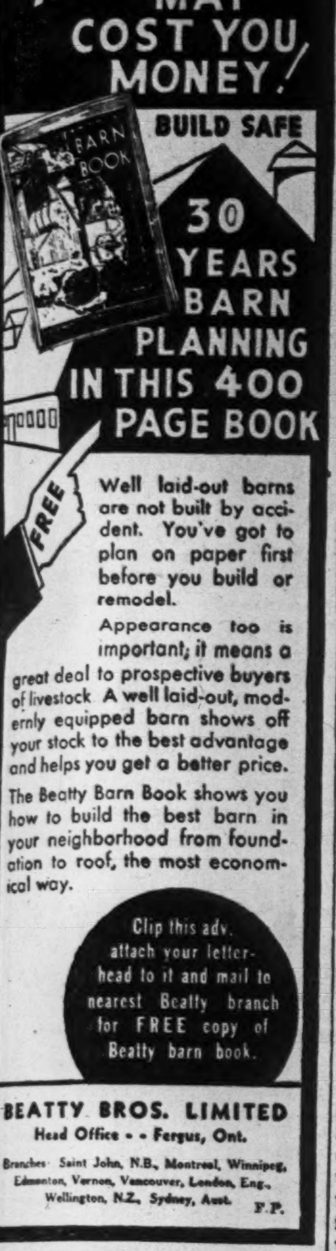
R.O. Pennington,
M.

Naturally, we feel pretty good about a letter like this. We have been trying to say all this ourselves but — we have never put it quite so deftly as Mr. Pennington's nimble Parker writes it.

In any case, when a shrewd analyst of media and markets like Mr. Pennington writes these things, what more is there to say!

The special issue to which Mr. Pennington refers was the October 1st issue. It was one of a regular series of mailings to dealers in which a copy of the magazine is enclosed in a special cover that merchandises the advertising appearing in Maclean's.

The
MACLEAN PUBLISHING
Company, Limited
481 University Avenue
TORONTO
Canada
Montreal New York
London, Eng. · Chicago



ONE *Mistake* MAY COST YOU MONEY!

BUILD SAFE

30 YEARS BARN PLANNING IN THIS 400 PAGE BOOK

FREE

Well laid-out barns are not built by accident. You've got to plan on paper first before you build or remodel.

Appearance too is important; it means a great deal to prospective buyers of livestock. A well laid-out, modernly equipped barn shows off your stock to the best advantage and helps you get a better price.

The Beatty Barn Book shows you how to build the best barn in your neighborhood from foundation to roof, the most economical way.

Clip this adv. attach your letterhead to it and mail to nearest Beatty branch for FREE copy of Beatty barn book.

BEATTY BROS. LIMITED
Head Office - - Fergus, Ont.
Branches: Saint John, N.B., Montreal, Winnipeg, Edmonton, Vernon, Vancouver, London, Eng., Wellington, N.Z., Sydney, Aust. F.P.

EMPLOYEES GET STOCK

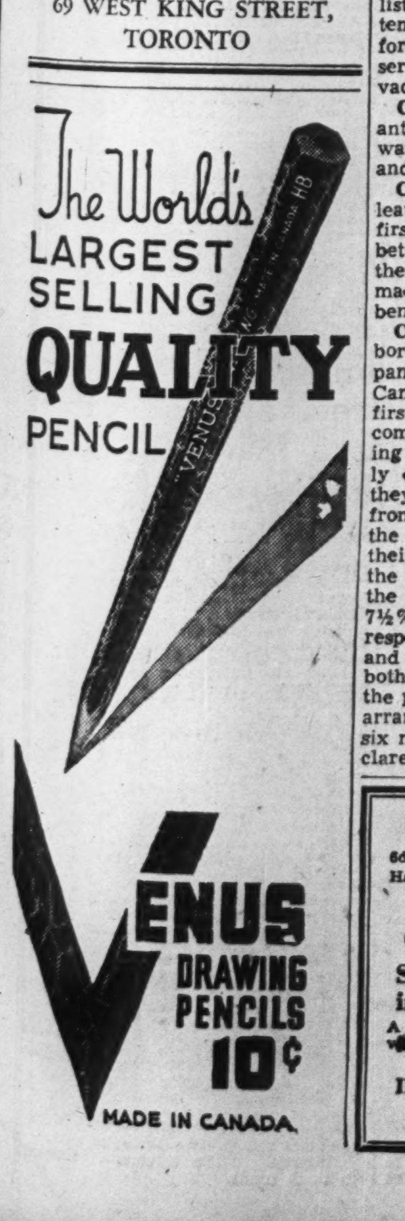
From Our Own Correspondent

MONTREAL.—Louisiana Land & Exploration Co. advises that in accordance with its employee stock plan, 66 shares of its capital stock were transferred during October from the company's name to those of several of its employees. The number of shares the company had in its possession as at the end of October was 34,951.

Refinement and Character in MEN'S CLOTHES

Having your wardrobe planned by Levy Bros. is a pleasant experience. First you have the unlimited choice of quality cloth from world famous mills. Then your selection of material for suit or overcoat is faultlessly tailored with an individuality and perfection which is your privilege to expect when buying the best. It will be a pleasure to have you inspect our new Fall patterns at any time.

Levy Bros.
MAKERS OF MEN'S CLOTHES
69 WEST KING STREET, TORONTO



The World's LARGEST SELLING QUALITY PENCIL

VENUS DRAWING PENCILS 10¢

MADE IN CANADA

Industry Encourages Enlisted Men

Protect Seniority Rights
Some Give Financial Aid

Ever since the outbreak of war, Canadian businessmen have been considering the policy they would follow as regards employees who enlist or who may be called up for other special war service.

While the different plans naturally vary, some points common to the great majority are as follows:

Special leave of absence is being given to those who were on the payroll prior to Sept. 3, and preferential treatment as regards employment on return is promised.

Time spent in the military or naval services will count the same as service with the company as far as seniority rights and privileges are concerned.

Employees engaged to fill the places of those enlisting are being informed that their employment is on a temporary basis.

As regards financial considerations there is more diversity in the plans to be followed.

In a number of cases, including the banks, insurance companies, some of the larger merchandising establishments and certain industries, it has been announced that the employer will maintain the employee's payments toward pension funds and group insurance.

Some employers are making arrangements to prevent any hardship to an enlisted employee because of the difference in government pay and his regular income. With married men sometimes the full difference, if any, between army and civilian pay is being made up. The same consideration is usually given single men with dependents. Single men without dependents in some cases are getting an allowance from their employers which will bring up their income during the time of service to one half or three quarters of what they were getting before they enlisted. Others may be given a lump sum of money on enlistment, perhaps equal to two weeks or a month's pay. The idea is to enable the employee to clear up any indebtedness and start his army life with a clean sheet.

Among the various individual plans that have been announced for enlisted men, in addition to those which have already appeared in The Financial Post of Sept. 16 and subsequent issues are the following:—

Associated Breweries of Canada and its subsidiaries will grant leave of absence and will make up any difference between service pay and allowances and salary or average wage at time of enlistment.

Bell Telephone Co. of Canada is granting leave of absence to employees on the payroll prior to Sept. 1. Rights of these employees and their dependents to disability and death benefits under the employees' pension plan will be maintained. Army or navy service will be credited for benefit pension plan purposes. Dependents of married employees will receive the difference between the government pay and allowances and the employee's basic rate of pay, subject to the provision that the company's contribution shall not exceed one half of the basic rate of pay. Single employees with dependents will receive special consideration on submitting their claim to the company.

Brown's Bread Ltd. will pay married men and single men with dependents, the full difference between service pay and their present salary. Single men without such responsibilities will be paid 75% of this difference.

Canada Cement Co. will guarantee old jobs when service in the forces terminates. Differences between Government pay and allowances will be made up for a period of six months with consideration for longer periods.

Canadian Press Ltd. will protect the position and seniority rights of employees in all departments.

Canada Packers Ltd. will reinstate men who enlist. Persons engaged in the place of enlisted men will be taken on, on a temporary basis. Service with the forces will count as continuous service with the company, so far as vacations or pensions are concerned.

Canadian Breweries Ltd., is guaranteeing positions, will carry during war service pension contributions and group insurance.

Canadian Industries Ltd. is giving leave of absence, and full pay for the first month, making up difference between army pay and allowances thereafter. Provision has also been made to maintain pensions and death benefit plans.

Canadian Line Materials, Scarboro Junction, and associated companies including Wired Radio of Canada and Burlec Ltd., will in the first year of the war set aside from company funds for those volunteering for service, 17½% of their weekly earnings, starting 90 days after they enlist and 25% when they sail from Canada. In the second year, the company will set aside 12½% of their weekly salary for men not in the war zone, and 20% for those in the war zone. For the third year 7½% and 5% for the two classes respectively, for the fourth year 5% and 10%; for the fifth year 5% in both cases. At the end of five years the plan is subject to revision. The arrangement will be continued for six months after an armistice is declared, if that occurs in five years, for men in the service at that time. A committee to take charge of the accumulated funds has been formed and when a man is discharged, this committee will decide whether he is to receive the money due him in a lump sum, or in a number of payments. In the case of those killed, the money will be paid over to the beneficiaries, named in the group insurance policies. The company will pay the full premium on the group policies as long as the insurance company will accept premiums.

Dominion Textile Co. is giving leave of absence to those who enlist for overseas service and will make provision for those having dependents. Employees enlisting for home service will be given leave of absence at the discretion of the management, but here again provision will be made for dependents. The company will also keep up group insurance policies. For pension purposes, an employee's service while on leave of absence will be counted as service with the company.

The T. H. Estabrooks Co. will grant leave of absence to employees on the payroll up to Sept. 8. The company will pay the difference between salary, and military pay and allowances. This policy it was stated will continue for at least one year.

General Motors of Canada will hold open the jobs of men enlisting for active service, filling their positions meanwhile on a temporary basis.

Imperial Tobacco Co. will give leave of absence and make certain salary provisions to prevent hardship among the dependents of employees on account of discrepancies between army and civil income.

Kelvinator of Canada, Ltd., will give leave of absence, guarantee seniority privileges, pay regular group life insurance premiums.

Lord & Thomas of Canada, Ltd., advertising agents, will make up the difference between army pay and allowances and salary at the time of enlistment, for the first year with further consideration later.

Montreal Daily Star is giving leave of absence, eligibility to benefits under current insurance plan. It is considered unpractical to promise identical positions on return. Current salaries will be paid for two weeks after enlistment, after that difference between army pay and allowances and civilian pay will be guaranteed to married men, up to two thirds the difference for unmarried men, special consideration for others.

Sarnia Bridge has assured enlisting men of their jobs back on return and will keep up their group insurance.

Montreal Tramways Co. will give leave of absence and protect seniority and service rights.

Mutual Life of Canada will pay full salary for one month, further salary continuation on basis of difference of income during the entire period of absence.

National Breweries Ltd., leave of absence, one full month's salary, afterward difference between the basic rate of pay, and army pay and allowances. The company also undertakes to make every effort to re-engage in some suitable occupation all employees on their discharge.

National Drug and Chemical Co. of Canada and **National Canadian Drugs** will pay a monthly sum to both married and single employees who enlist voluntarily. The allowance will be based on the difference between Government pay and allowances and the salary received at time of enlistment. Arrangement is subject to revision at the end of the first year.

Northern Electric Co. will grant leave of absence, with service in the armed forces counting in regard to pensions and death benefits. Payments will also be made to dependents of married employees up to one half of the employee's salary to augment Government pay.

Ogilvie Flour Mills will make up difference in army pay and allowances to married men or single men with dependents and up to two thirds difference to single men and widowers. Group insurance carried will be continued and time in active service will count for pension purposes, with the company paying employee's pension contributions while on service.

The Ottawa Journal is giving leave of absence, full salary for the first month, and thereafter half salary to married men and unmarried men with direct dependents, one quarter to unmarried men, without direct dependents.

Quebec Power Co. will give leave of absence and guarantee seniority of position, government service will count for pensions records, and advancement. Difference between service and company pay will be made up.

Red Deer Valley Coal Co. will protect the seniority rights and guarantee jobs

James Richardson & Sons, Ltd. and associated companies will protect position and seniority right of all employees enlisting and give consideration to all cases involving salary loss through enlistment.

Christie, Brown & Co. will reinstate in their old positions, all employees who voluntarily enlist if they make application for re-employment within 30 days after discharge. Time in the forces will count as company service for seniority rating and in pension plans. A lump sum of one week's pay for each year's continuous service up to date of enlistment will be paid, with a maximum of five weeks and a minimum of one week's pay. If group insurance expires within two months from time of enlistment, the company will pay to the designated beneficiaries from $500 to $750 depending on length of service.

Shawinigan Water and Power Co. and subsidiaries will make up the difference between army pay and allowances and salaries, and guarantee reinstatement according to seniority.

Shell Oil Co. of Canada will give leave of absence and pension's service to all with more than one year's service with the company. In addition, the company will make up differences with army pay and allowances less deduction for his ordinary provident fund and $20 per month. Latter will accumulate and be paid in a lump sum after return to civil employment.

Simmons Ltd. will provide a position for all employees enlisting, on their return from service. Those on the payroll on or before July 1, 1938, who enlist voluntarily will receive an allowance of $25 a month if married. Widowers or single men with dependents will also receive $25 a month. Single men not the sole support of dependent relatives $15 a month. This plan will continue in force until Dec. 31, 1940, when it will come up for revision.

Shipping Containers Ltd. will make up difference in army pay and allowances for 12 months and guarantee jobs back.

David Spencer Ltd., Vancouver, will pay the difference between army pay and allowances and salary at time of enlistment.

Standard Bread Co. of Ottawa will guarantee jobs, make up the difference between army pay and allowances for married men and single men with dependents, and up to three quarters for others, provide free medical attention for all dependents, continue insurance policies. Each man will receive a gold wrist watch on enlistment.

St. Henri Syndicate, of Montreal, will pay the difference between army pay and allowances and present earnings to married employees and single men with dependents and up to three quarters to single men with no dependents. Scheme will apply only to volunteers for military work and remains in force for one year.

The Western Clock Co. will give enlisting employees preference in filling suitable vacancies after demobilization. War service to count in any present or future benefit scheme.

Winnipeg Electric Co. will guarantee present seniority rights and jobs, continue free transportation in Winnipeg.

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B. C. May Amend Utilities Laws

From Our Own Correspondent

VANCOUVER.—Revision of British Columbia's public utilities law to permit the commission, according to the circumstances, to share in the cost of appraising power plants is in contemplation at the present session of the legislature.

The act in its present form stated that the commission may at its discretion order an appraisal of any public utility, the entire cost being charged against the company which may, in turn, add the cost of the survey to its capital structure upon which interest returns are made. In this way the cost would ultimately be passed on to the consumer over a period of years.

The commission is recommending to the Government that the act be changed to permit of the assessment "in whole or in part" of appraisal costs, at discretion, to be made against the commission.

Lumber Continues To Move From B.C. To Parts Abroad

From Our Own Correspondent

VANCOUVER.—Despite fears that the industry would collapse after war broke out, September shipments of lumber from British Columbia to overseas countries were as high as those of August and close to all-time peak levels.

A total of 114 million feet of lumber was delivered to the British Isles during the month compared with the previous month's unprecedented record of 127 million feet. Nearly 10 million feet went to Australia, twice as much as in the previous month, and deliveries to the Atlantic seaboard maintained an encouragingly high level.

An indication of the dominance of the British market is given by the fact that total waterborne sales to all markets in September were 143.9 million. In other words, the world outside the British Isles accounted for only 15.9 million feet, and of that more than 13 million feet went to Empire countries such as Australia, South Africa and the British West Indies.

October shipments are likely to show a sharp decline because while the war had not progressed long enough in September to reflect much dislocation in shipping, there have been several cancellations of orders during the past few weeks due to withdrawal of neutral ships and the commandeering of British tonnage in the Atlantic.

However, it looks as though marketing of B.C. lumber will not be seriously curtailed during the coming winter. Orders have been placed for 200 million feet by the British Government and in addition orders totalling 300 million feet placed before the war have been confirmed—enough for more than 100 cargoes, and the British ministry of shipping has undertaken to provide the ships.

British Columbia Well Equipped for Its Part in War Effort

IT IS MOST gratifying to know that this Province is in an eminently better position to assist in the successful prosecution of the war than it was in 1914.

At the beginning of the last war neither the Grand Trunk Pacific, the Canadian Northern Railway, nor the Pacific Great Eastern Railway was completed, and the Panama Canal was not open fully to commercial traffic.

BALANCE SHEET

Provincial Assets — As at March 31, 1939	$265,600,333.87
Provincial Liabilities — As at March 31, 1939	243,522,790.39
Surplus Assets over Liabilities	$ 22,077,543.48
An increase in the surplus of Assets over Liabilities since March 31, 1938, of	$ 2,796,992.15

PUBLIC DEBT — As at Oct. 1, 1939

Funded debt	$123,790,236.00	
Pacific Great Eastern Rly. stock and bonds guaranteed by Province	20,160,000.00	
Treasury bills	40,119,668.78	
B. C. House, London — mortgage	55,775.00	
Unfinanced deficits (balance of deficits up to March 31, 1934, still outstanding)	4,067,370.16	
Gross Debt		$188,193,049.94
Sinking Funds:—		
Province of British Columbia obligations	$ 27,675,185.95	
Securities issued by other provinces	901,311.32	
Railway securities guaranteed by the Dominion or the Province	2,363,450.55	
Railway securities (operated by C.N.R., but not gtd.)	62,123.00	
Other securities	133,728.03	
	$31,135,798.85	
(Excepting British Columbia securities which are shown at par; all other securities shown at prevailing market rate).		
Cash	4,548,748.06	
Accrued interest	447,159.02	36,131,705.93
Net Debt		$152,061,344.01

REVENUE AND EXPENDITURE
Fiscal year ended March 31, 1939

Revenue (all time high)		$ 32,639,825.59
Current Expenditure:		
Ordinary	$ 27,912,693.17	
Sinking fund instalments	224,052.00	
Instalment on B. C. House, London	9,700.00	
Serial debt instalments	518,000.00	28,664,445.17
Surplus revenue over current expenditures		$ 3,975,380.42
Application of Surplus:		
Debt redemption	$ 2,974,379.48	
Unemployment Relief	1,001,000.94	$ 3,975,380.42

INCOME ACCOUNT OPERATIONS FOR SEVEN YEARS ENDING MARCH 31, 1940

1933-34—Revenue collected		$ 20,208,859.75	
Ordinary expenditure		19,997,084.58	$ 211,775.17
1934-35—Revenue collected		$ 22,761,719.46	
Ordinary expenditure		21,003,791.90	1,757,927.56
1935-36—Revenue collected		$ 25,862,077.32	
Ordinary expenditure		22,649,595.27	3,212,482.05
1936-37—Revenue collected		$ 28,102,612.48	
Ordinary expenditure		24,756,237.53	3,346,374.95
1937-38—Revenue collected		$ 31,036,942.74	
Ordinary expenditure		26,819,060.26	4,217,882.48
1938-39—Revenue collected		$ 32,639,825.59	
Ordinary expenditure		27,912,693.17	4,727,132.42
1939-40—Revenue anticipated		$ 30,200,000.00	
Ordinary expenditure anticipated		28,874,000.00	1,326,000.00
			$ 18,799,574.63
Debt Redemption:—			
1. Sinking Funds:			
1933-34	$ 224,052.00		
1934-35	224,052.00		
1935-36	224,052.00		
1936-37	224,052.00		
1937-38	328,282.95		
1938-39	1,150,781.89		
1939-40	224,052.00	$ 2,599,324.84	
2. Serial instalments		2,959,000.00	
3. B. C. House instalments		67,900.00	
4. Part repayment of Treasury bills		134,804.60	
5. Debenture issues matured on			
May 15, 1936	$3,500,000.00		
July 8, 1938	2,000,000.00	5,500,000.00	11,261,029.44
			$ 7,538,545.19
Unemployment Relief:			
Paid from 1936-37 surplus		$ 2,689,022.57	
Paid from 1937-38 surplus		3,364,899.53	
Paid from 1938-39 surplus		1,001,000.94	7,054,923.04
			$ 483,822.15

Today British Columbia has 3,883 miles of steam railways and 23,000 miles of highways. The hinterland is opened up and resources are readily mobilized. The ocean route to Great Britain is shortened greatly by the opening of the Panama Canal to all merchant ships.

The population has increased from 442,000 in 1914 to 800,000 in 1938.

Agricultural production has increased from $25,000,000.00 to $47,782,000.00.

Fisheries production has increased from $11,500,000.00 to $18,725,000.00.

Mining production has increased from $26,300,000.00 to $64,245,000.00.

Forestry production has increased from $33,000,000.00 to $67,120,000.00.

Manufacturing establishments increased from 621 to 1,700.

Capital Investments (Manufacturers) increased from $157,580,000.00 to $250,000,000.00.

It is difficult, of course, to forecast what demands the present war may make on the natural resources or upon existing manufacturing establishments. It is also difficult to forecast the economic changes which may take place due to displacement in markets or the establishment of new war industries.

British Columbia expects confidently, however, that the demand for metals will increase greatly, particularly gold, copper, lead and zinc. It is interesting to note in this connection that abundant reserves of these metals exist in the Province and that:

Gold production rose from $5,674,000.00 in 1914 to $21,284,000.00 in 1938.

Copper production rose from $6,121,319.00 in 1914 to $6,558,575.00 in 1938.

Lead production rose from $1,771,000.00 in 1914 to $13,810,000.00 in 1938.

Zinc production rose from $346,125.00 in 1914 to $9,172,822.00 in 1938.

The Province may also anticipate a greater demand from the allies for products from fisheries, as well as for agricultural produce. A shift is probable in the market for the forestry products, particularly since the Scandinavian countries cannot retain certain advantages they gained during the last few years in the United States and the South American republics.

Finally the geographic and climatic advantages of the Province, in conjunction with existing industrial facilities, place British Columbia in a favourable position with regard to ship-building, airplane-construction and the manufacture of goods and materials required at this time.

PROVINCE OF BRITISH COLUMBIA

HON. JOHN HART, Minister of Finance **Parliament Bldgs., VICTORIA, B.C.**

The Week's Quotations

Toronto and Montreal Exchange

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING NOVEMBER 20

Range 1939 High	Low	Div R'te $	Nov18 Y'ld %		Sales	Last Nov. 13	Week end. Nov. 20 H	L	Cl'se
				A					
3⅛	1	•	...	Abitibi	4236	1⅛	1⅜	1⅛	1⅛
21¼	3½	•	...	Do. pref. 6%	4485	12½	14½	12½	13½
26	4	•	...	Do. pref. 7%	....	(19½ bid — asked)			
6	2	•	...	Acme Glove	100	6	5½	5½	5½
*82	60	•	...	Do. pref.	....	(— bid 65 asked)			
11½	9¼	60+20c	7.3	Agnew Surp.	....	(11½ bid 11¾ asked)			
111	104	7	6.4	Do. pref.	....	(105 bid 110 asked)			
4⅛	1	•	...	Alta. Pac. Gr.	....	(3 bid 4 asked)			
35½	13	•	...	Do. pref.	25	32	32½	32½	32½
20½	6⅛	•	...	Algoma Steel	280	17	17	16½	16½
97	51	•	...	Do. pref.	35	95½	95½	92	94
142½	104	4.25+10%		Aluminum	221	125½	128	125	126
112½	111½	6	5.3	Do. pref.	....	(112½ July 28)			
7	4½	•	...	Amal. Electric	20	7	7	7	7
22½	22½	60c	2.7	Amer. Cyn. B.	....	(29 bid — asked)			
50	46	2.75	5.5	Ang. Can. Tel. p	260	47	50	48½	50
28½	17½	60+65c	..	Asbestos	3524	24½	27	25½	26
17	11	80+45c	8.6	Assoc. Brew.	82	14½	15	14½	14½
115	109	7	6.2	Do. pref.	....	(112 bid — asked)			
2	2	•	...	Assoc. T & T.A.	....	(— bid — asked)			
31	26	1.68	5.4	Do. pref.	....	(33 bid 34 asked)			
102	100	5.50	5.5	Ault & Wiborg	....	(100½ bid — asked)			
				B					
168	140	8	5	Bk. Can. Nat.	....	(159 bid — asked)			
227	176	8	3.7	Bk. Montreal	154	213	213	211	211
315	285	12	3.8	Bk. N. Scotia	25	313	313	312	313
255	215	10	4	Bk. Toronto	4	245	250	250	250
5	4½	•	...	Barcelona	....	(5 Mar. 18)			
7½	3	•	...	Barker's Bread	....	(5½ bid 6½ asked)			
39½	20	2.50	7.2	Do. pref.	....	(33 bid 37 asked)			
15½	4½	25c	...	Bathurst Pr.	2615	14	14½	13½	14½
6½	2	•	...	Do. (B)	495	4½	4½	4½	4½
2.75	.50	•	...	Bawlf Grain	200	2.00	1.75	1.75	1.75
27	15	•	...	Do. pref.	100	27	27	27	27
4	1½	•	...	Beath & Sons	....	(4 bid 5 asked)			
8½	4	•	...	Beatty Bros. A.	....	(5½ bid 6 asked)			
105	99½	6	5.9	Do. pref.	5	102	102	102	102
97	97	7	7.8	Do. 2nd pref.	....	(— bid 95 asked)			
7½	2	•	...	Beauharnois	1365	5½	6	5½	5½
95	90	4	4.4	Belding Cort.	4	92½	90	90	90
141	131	7	5.2	Do. pref.	....	(135 bid 140 asked)			
178	140	8	4.8	Bell Telephone	2412	164	166	163	164½
10½	6	62½c	..	Biltmore Hats	229	10	10½	9	10½
8	3½	•	...	Blue Ribbon	....	(7 bid 8 asked)			
36½	25	2.50	6.9	Do. pref.	85	35½	36	35½	36
24½	17½	1.30	6.5	Brant. Cord. pf.	....	(— bid 21 asked)			
12⅛	5½	•	...	Brazilian Tr.	3556	8½	8⅜	8½	8½
5⅛	3	50+25c	..	Brew. & Distil.	60	4	4	3¾	4
6¼	6¼	30c	4.8	Bright, T. G.	....	(4½ bid — asked)			
80	80	6	7.5	Do. pref.	....	(74 bid — asked)			
23½	18⅜	1	4.3	Brit. Amer. Oil	4848	23½	23½	22½	22⅞
18½	11	•	...	B. C. Packers	125	16½	16½	16½	16½
28½	20	2	7.8	B. C. Power A.	230	25⅜	25⅜	25½	25⅜
3	1	•	...	Do. (B)	25	2½	2½	2½	2½
6½	2	•	...	Bruck S. Mills	125	5	4½	4½	4½
19	12⅜	70+10c	4.7	Building Prod.	930	17½	17½	16⅞	17
15⅜	9½	60c	4.2	Burlington St'l.	285	14⅜	14⅜	14½	14⅜
				C					
82½	70	•	...	Calgary Power	....	(65 bid 70 asked)			
100	93	6	6.1	Do. pref.	23	98½	100	98½	98½
6½	2	•	...	Canada Bread	75	5½	5½	5	5½
105½	97	5	5	Do. pref.	....	(101½ bid — asked)			
60	49	2.50+1.50▲	4	Do. pref. B	25	55	58	58	58
5	3	40c	10	Canada Bud	....	(4 bid 4½ asked)			
10⅛	5⅛	•	...	Canada Cement	1205	7⅜	7⅜	7½	7⅜
102½	78	5	5.4	Do. pref.	45	92	93	92	92½
105	100	5	4.8	Canada Cycle p	110	104	104½	103	104
33½	25	1.50+25c	5	C. & D. Sugar	828	31⅜	32½	31	32½
b20⅜	12	50c	3.1	Canada Dry	54	15⅜	16½	15⅜	15½
24	7	•	...	Can. Forg. A	....	(— bid 22 asked)			
23	7	•	...	Do. (B)	5	21½	20½	20½	20½
20	20	•	...	Can. Iron	....	(20 bid 40 asked)			
55	50	4.50	8.1	Do. pref.	....	(55 bid 75 asked)			
38	28	1.50+50	5.7	Can. Malting	39	35	35	34⅜	35
18	13½	1.20	6.8	Can. Nor. Pr.	670	17½	17⅜	17⅜	17⅜
112	95½	7	6.5	Do. pref.	83	109	107⅞	107	107⅞
104	66	3+1	3.9	Can. Packers	160	100	101½	100	100½
*7	1⅜	•	...	Can. Paving, pf	....	(— bid 2 asked)			
153	134	8	5.7	Can. Perman.	24	142	140	140	140
7½	6	•	...	Can. Starch	....	(6 bid — asked)			
109	108	7	6.4	Do. pref.	....	(109 bid — asked)			
7⅞	1	•	...	Can. Steamsh's	618	5⅞	5⅞	5	5
19½	6	50c	6.2	Do. pref.	1017	16½	16½	15½	15½
14	10	1.20	9.4	Can. Vinegars	345	12⅜	13	12½	13
65	55	4	6.3	Can. W. Cable	25	59	63	63	63
25	14	50c	2.5	Do. (B)	81	20	21	20	20
107½	101	6.50	6.2	Do. pref.	....	(106 bid 108½ asked)			
1½	1	•	...	Can. Bakeries	....	(— bid 1½ asked)			
60	25	•	...	Do. pref.	....	(51 bid 55 asked)			
179	134	8	4.8	Can. Bk. Com.	73	165	170	165	168
1.80	.75	•	...	Can. Breweries	2100	1.05	1.20	1.10	1.15
23	14½	2	10.2	Do. pref.	405	19	19½	19½	19½
48	30	1.50	3.6	Can. Bronze	185	45	41	40½	41
109	105	5	4.6	Do. pref.	5	109	109	109	109
11	2⅜	•	...	Can. Canners	190	10	9⅜	8⅜	8⅜
20½	16½	1	4.9	Do. 1st pfd.	560	20	20½	20½	20½
14½	6	60c	4.7	Do. 2nd pfd.	960	13	13½	12½	12½
19½	6½	•	...	Can. Car & F'y	2018	15½	16½	15½	15½
34½	17	•	...	Do. pref.	500	28	28	27½	28
25	10½	75+35c	..	Can. Celanese	2010	23½	25	23½	24½
120	95	7	5.8	Do. pref.	330	120	120	119	120
21	17½	1	4.8	Do. Rights	20	21	21	21	21
18	4	•	...	Can. Convert.	75	17	15	14	14
102	63	4	3.9	Can. Cottons	185	98	102	99	102
110	100	6	5.4	Do. pref.	150	106	110	109⅞	110
25	10½	1	4.5	Can. Dredge	10	22	22	22	22
102½	98½	6	5.8	Can. Fairb. pf.	....	(99 bid — asked)			
13	6	1.40	11.2	Can. For. Inv.	....	(— bid 12½ asked)			
100	90	8	8	Do. pref.	....	(100 Oct. 31)			
255½	200	8	3	Can. Gen. Elec.	....	(200 bid — asked)			
9½	7	50c	5.3	Can. G. Inv.	....	(9 bid — asked)			
4½	1½	†15c	...	Can. Ind. Alc.	745	4	4	3⅜	3⅜
4⅜	1½	†15c	...	Do. (B)	105	3½	3⅜	3½	3½
238	192½	7	2.9	Can. Indust. B.	....	(234 bid 242 asked)			
175	157	7	4.2	Do. pref.	....	(169 bid 172 asked)			
.75	.20	•	...	Can. Int. I. Tr.	6	.25	.25	.25	.25
50	40	2	4.4	Do. pref.	5	45	45	45	45
16½	12½	1	6.1	Can. Lt. & Pr.	....	(16½ bid 18 asked)			
20	4	•	...	Can. Locomo.	62	15	14½	14	14
1	1	•	...	Can. Mach'y	....	(1 bid — asked)			
21	18	•	...	Do. pref.	....	(21 bid — asked)			
1.85	.75	•	...	Can. Marconi	235	1.30	1.30	1.20	1.25
20	12	50+50c	6.1	Can. Oil	200	16½	16⅜	16½	16½
122	106	8	6.8	Do. pref.	....	(118 bid 120 asked)			
9½	3	•	...	Can. Pacific	11183	6½	6½	6½	6⅜
1.60	.30	•	...	C. Pr. & Pa. In.	41	1.10	1.00	1.00	1.00
6½	3½	•	...	Do. pref.	....	(5 bid 5½ asked)			
10	2	•	...	Can. Vickers	865	7½	7½	6⅞	6⅞
41	10	•	...	Do. pref.	15	34	32	30	30
15	9	50c	5	C. Wallpaper A	....	(9 bid 10 asked)			
13	9	50c	5	Do. (B)	35	9½	10	9½	10
60	48	1.87½	3.6	Can. West'ho'se	....	(52½ bid 54½ asked)			
4½	3	40c	8.9	Can. Wineries	300	4½	4½	4½	4½
20½	14⅜	1.50	7.8	Can. Wire Box.	150	19½	19½	19	19
3.00	.80	•	...	Capital Estates	1558	1.60	2.10	1.65	1.95
115	103⅜	5	4.4	Carnation, pfd.	80	114	115	114	114
13	6	50+25c	6	Catelli Food	165	12½	13	11½	12½
13	11	75c	6	Do. pref.	10	12	12½	12½	12½
3.00	1.60	•	...	Celtic Knit	....	(2½ bid — asked)			
165	160	8	4.8	Cent. Can. L'n.	....	(145 bid 170 asked)			
100	95	4+2	..	Chart. Trust	51	98	100	100	100
.70	.14	•	...	Chem Research	200	.22	.22	.22	.22
1.10	.10	•	...	City Gas & El.	....	(.20 bid .25 asked)			
.15	.05	•	...	Claude Neon	....	(.15 bid .20 asked)			
1.35	1.00	12c	10	Coast Brew.	650	1.20	1.19	1.18	1.18
11½	5	•	...	Cockshutt Plow	375	9⅜	9½	9½	9½
3½	1½	10c	...	Comm. Alcohol	925	3½	3½	3	3
6½	4⅜	40c	6.3	Do. pref.	....	(6 bid 6⅜ asked)			
4½	3	30c	6.7	Conduits Nat.	....	(3 bid 5 asked)			
17½	12	1+15	6.5	Cons. Bakeries	75	17	17½	17½	17½
.06	.05	•	...	Cons. Div. Sec.	9	.05	.05	.05	.05
9	6½	75c	8.3	Do. pref.	8	9	9	9	9
9½	2⅜	•	...	Cons. Paper	8151	7½	7⅞	7½	7⅞
10	5	•	...	Cons. Press	45	9	10	8½	10
75	46	1.75	...	Cons. Sand, pf.	....	(46 bid 70 asked)			
61½	37½	1+1	4.1	Cons. Smelters	1187	49⅜	49⅜	49	49
183	150	10	6.1	Consumers' Gas	129	166½	166	165	166
.45	20½	•	...	Corr. P. Box, p.	....	(41 bid 50 asked)			
27	16½	1.20	4.6	Cosmos Imp.	540	26	26½	26	26½
105	101	5	4.8	Do. pref.	....	(105 bid — asked)			
29	21	1.60	5.4	Crown Cork	85	27½	29	29	29
5	2	•	...	Crown Dom. Oil	....	(2⅜ bid 3 asked)			
35	24	3	...	Crow's N. Coal	....	(27 bid 33 asked)			
4.25	.50	•	...	Cub. Aircraft	300	3.25	3.12	3.00	3.00
				D, E					
17	11	60+30c	6.4	David & Fr. A	....	(14 bid 16 asked)			
2½	1½	•	...	Do. (B)	....	(1½ bid 2 asked)			
15½	5	•	...	De Havilland	....	(11 bid 14 asked)			
90	70	•	...	Do. pref.	....	(60 bid — asked)			
3	2½	•	...	Disher Steel	....	(2½ bid 3½ asked)			
13	9	•	...	Do. pref.	40	12	13	13	13
22	15	2	9.2	Distill-Seagram	5375	20	22	19⅞	21⅞
90	75	5	5.9	Do. pref.	....	(83 bid 90 asked)			
30	30	•	...	Dom. Ang. Inv.	....	(40 bid — asked)			
75	75	5+2.50▲	...	Do. pref.	....	(70 bid 84 asked)			
210½	185	10	4.7	Dom. Bank	5	208	210	210	210
46½	23½	1.20	3	Dom. Bridge	1875	42½	41½	39	39
22	15	1.50	7.5	Dom. Coal, pf.	621	20½	21½	20	20
45	20	•	...	Dom. Engineer.	25	40	38½	38½	38½
40½	19	1	2.7	Dom. Foundries	1053	37½	38	37	37
110	104½	6	5.4	Do. pref.	....	(106½ bid 109 asked)			
125	105	5	4	Dom. Glass	50	125	125	124½	125
165	145	7	4.8	Do. pref.	12	150	145	145	145
33	28	1.20+40c	..	Dom. Oilcloth	....	(29 bid 32 asked)			
2	½	•	...	Dom. Scot. Inv.	....	(1½ bid 1⅜ asked)			
30	25	1.70	...	Do. pref.	....	(— bid 30 asked)			
3	3	•	...	Dom. Square	100	..	3	3	3
18½	7½	•	...	Dom. St. & C.B.	4413	16	16½	15⅞	15⅞
7½	3	•	...	Dom. Stores	375	5½	6	5½	5½
7½	3½	•	...	Dom. Tar & Ch.	380	6½	6⅜	6⅜	6⅜
88	69	5.50	6.4	Do. pref.	....	(85 bid — asked)			
90½	55	5	5.6	Dom. Textile	568	87½	90	89	89½
161	147	7	4.5	Do. pref.	....	(— bid 150 asked)			
10⅞	2	•	...	Donnacona P.A.	2795	8⅞	9½	8⅞	9½
11	2	•	...	Do. (B)	908	8	8½	8	8½
13	3	•	...	Dryden Paper	595	11	11½	11½	11½
1.00	.30	•	...	East Koot. Pr.	....	(— bid 1.25 asked)			
8½	5½	•	...	Do. pref.	....	(6 bid 15 asked)			
1.50	.45	•	...	East Dairies	....	(— bid 1.25 asked)			
7	2	•	...	Do. pref.	40	7	7	6½	7
19⅞	11	1	5.4	East Steel	455	18⅜	18⅜	17½	18½
98½	65	7	7.1	East Theat. pf.	10	96	98½	98½	98½
3½	1½	•	...	Easy Washing	....	(— bid 3 asked)			
30	22	1.75	...	Economic Inv.	5	26	30	30	30
15	8	1.20	13.3	Electrolux	330	9	9	8½	9
3	½	•	...	Enam. & Heat.	....	(2 bid 3 asked)			
34	25	2.50	7.3	English Elec.	....	(27 bid 32 asked)			
8½	2	•	...	Do. (B)	3	6	3	3	3
8	3½	15c	...	Equitable Life	....	(4½ bid 5½ asked)			
8	5½	60c	...	European El. A.	....	(— bid 10½ asked)			
*.10	.01	•	...	Do. Warrants	....	(— bid — asked)			
				F, G					
8	2⅜	•	...	Fairchild Air.	585	6½	6½	6½	6½
22½	18	1	4.9	Fam. Players	....	(— bid 21 asked)			
25	19	1+50c	6.1	Fanny Farmer	1280	25	25	24½	24½
11½	3½	•	...	Fleet Aircraft	3050	9½	9⅞	9½	9½
2½	1	•	...	Fleury Bissell	....	(1 bid 3 asked)			
34	25	•	...	Do. pref.	....	(32 bid 32⅞ asked)			
24½	16½	1	4.4	Ford Motor A.	4435	21⅞	22⅞	21	22
24	17½	1	4.2	Do. (B)	....	(22 bid 23 asked)			
.35	.15	•	...	For. Pr. Secs.	....	(.20 bid — asked)			
12½	6½	•	...	Foundation Co.	175	10	10½	10	10½
22	5	•	...	Fraser Cos.	105	19	18½	18	18½
25½	5	•	...	Do. Vot. Tr.	3600	18⅜	19⅜	18½	18½
.30	.25	•	...	Freiman	....	(— bid — asked)			
38	20	•	...	Do. pref.	....	(10 bid 35 asked)			
16½	11	80+5c	5	Gatineau Pwr.	4037	15½	16½	15½	16
95	78	5	5.3	Do. pref.	530	94	95	94	95
102½	100	5.50	5.4	Do. 5½% pref.	347	100½	102½	101	102
6	2½	•	...	Do. Rights	2930	5½	6	5½	6
12	4½	•	...	Gen. St. Wares.	325	9½	9½	9½	9½
92½	55	5.25	...	Do. pref.	10	89½	89	89	89
90	66	2.50+5	8.9	Goodyear Tire	200	87	87	84	86⅜
58½	52½	2.50	4.5	Do. pref.	110	54	55	53	55
50	50	2	...	Goulds Pump p	....	(50 bid — asked)			
9½	5	•	...	Gt. Lakes Pap.	....	(— bid 8⅜ asked)			
28	12	•	...	Do. pref.	....	(— bid 27 asked)			
10½	2½	•	...	Do. Vot. Tr. c	236	8½	8⅜	8½	8⅜
29½	9½	•	...	Do. Vot. Tr. p	116	27	26½	24	24
2.25	.60	•	...	Gt. W Saddlery	15	1.30	1.25	1.25	1.25
25	8	•	...	Do. pref.	20	21	21	20	20
13⅜	9⅜	60c	4.6	Greening Wire.	200	12½	13	12⅜	12⅜
6½	4	†30c	..	Gurd, Chas.	812	5½	6	5½	6
108	107	7	6.7	Do. pref.	....	(103 bid 105 asked)			
7	3	•	...	Gypsum, Lime.	620	4⅜	4⅜	4⅜	4⅜
				H, I					
9½	6	•	...	Ham. Bridge	2172	7½	7½	6½	6½
35½	22	2	5.7	Ham. Cot., pf.	200	35	35½	35	35
1.00	.45	•	...	Ham. U. Theat.	....	(1.00 bid 3.00 asked)			
65	49½	6	9.2	Do. pref.	....	(60 bid — asked)			
4½	2½	20c	5.3	Harding Carpet	1050	3½	4	3⅜	4
*5	4½	•	...	Hillcrest Coll.	....	(2 bid 5 asked)			
3½	1½	•	...	Do. pref.	....	(3⅜ bid 12 asked)			
15½	7	50c	3.8	Hinde & Dauch	255	13½	13½	12⅜	12⅜
*20	20	•	...	Holt Renfrew	....	(— bid 15 asked)			
40	35	•	...	Do. pref.	30	35	37	37	37
13	9	•	...	Honey Dew	7	12	13	12	13
20½	8½	•	...	H. Smith Pap.	185	17½	17⅜	17	17
102	88	6	6.1	Do. pref.	....	(100 bid 102 asked)			
15½	10	1	6.9	Humberstone S.	....	(12½ bid 15 asked)			
5	1	•	...	Hunts (A)	....	(3 bid 5 asked)			
5	2	•	...	Do. (B)	....	(3 bid 4 asked)			
70⅜	60	4	5.7	Huron & E. Mt.	....	(71 bid 75 asked)			
10	8	80c	...	Do. 20% pd.	....	(10 bid 12 asked)			
4½	3	20c	6.4	Hydro Electric.	....	(1½ bid — asked)			
221	185	10	4.7	Imperial Bank	7	215	215	212	212
18⅜	12⅜	50+50c	6.2	Imperial Oil	22204	17½	17½	15½	16
17	12⅜	40+22½c	4.1	Imperial Tob.	3494	14⅜	15½	14½	15
8	6⅜	6%		Do. pref.	....	(— bid 8 asked)			
33	23½	2+12½c	8.1	Indust. Accept	75	25½	26½	25½	26½
35	20	3	...	Inter-City Bak.	87	34	35	32	32
55	45	4+2		Inter'c Coal	....	(45 bid — asked)			
*126	119⅜	8	6.7	Do. pref.	....	(— bid — asked)			
22½	15	1.50	7	Inter. Bronze	1280	20½	21½	20½	21½
30	20	1.50	5.4	Do. pref.	140	27	28	27	27½
.30	.25	3c	...	Int. Coal & C.	....	(.20 bid .25 asked)			
b8½	3⅜	•	...	Int. Hyd. E.A.	9	5	5⅜	5½	5½
14⅜	3½	•	...	Int. Metal Ind.	3880	13½	14⅜	13	14½
105	70	6+4.25▲	5.8	Do. pref.	430	103⅞	104	103½	104
103	70	6+4.25▲	5.8	Do. pref. A	60	103	103	103	103
114	104	5	4.4	Int. Mill., pf.	215	110½	114	113	113½
60½	42⅜	2	4.2	Int. Nickel	2336	47⅜	48½	47½	48
4	1½	•	...	Int. Paints	153	3⅜	4	4	4
19	11⅜	1+25c▲	5.3	Do. pref.	....	(15½ bid 18⅜ asked)			
b14⅜	6	•	...	Int. Pap. & P.	115	12⅜	13½	12½	12⅞
b56½	25½	•	...	Do. pref.	240	47⅞	56½	48⅜	49½
29	18⅜	1.50+25	6.9	Int. Pete.	12505	26⅜	26½	23⅜	25½
4	2	•	...	Int. Power	12	2½	2½	2½	2½
81	67½	6	8	Do. pref.	117	75	76	75	76
*11½	10½	•	...	Int. St. Rlty. A.	....	(— bid 12 asked)			
*4	3⅜	•	...	Do. (B)	....	(— bid 4⅜ asked)			
10	5	•	...	Int. Util. A	55	8⅜	8½	8	8½
1.00	.35	•	...	Do. (B)	1355	.60	.65	.50	.60
				J, K, L					
40½	35½	2	5.1	Jam. Pub. Ser.	....	(40½ bid 41 asked)			
133	129	7	5.3	Do. pref.	5	133	133	133	133
12	9	50c	5	Kelvinator	....	(9 bid 10 asked)			
28	5	•	...	L. St. John Pr.	97	25	25	25	25
5½	1	•	...	Lake Sulphite	100	3	3	3	3
28½	13	•	...	Lake of Woods.	230	23½	24½	23	23½
126	112	7	5.6	Do. pref.	....	(123½ bid — asked)			
65	39	4	10	Landed Bank	....	(39 bid 50 asked)			
16	9⅜	70c	4.7	Lang, J. A.	105	14½	15	15	15
*3	2½	•	...	Langley's	....	(— bid 1⅜ asked)			
25½	20	1▲	...	Do. pref.	20	20	20	20	20
13½	10	80c	6.3	Laura Secord	1430	13	13	12⅜	12⅞
9⅜	4½	•	...	Legare, pref.	305	8	8½	8	8½
5½	3	•	...	Lindsay, C. W.	....	(3½ bid — asked)			
*78	66	•	...	Do. pref.	....	(— bid 49 asked)			
29	22	1+25c	4.4	Loblaw (A)	225	28	28½	28	28
27½	21	1+25c	4.7	Do. (B)	107	26⅜	27	26⅜	26⅜
				M					
1.05	.45	•	...	Mackenzie Air.	25	.50	.50	.50	.50
3	2	•	...	MacKin. Steel	....	(4 bid — asked)			
62	55	7	...	Do. pref.	....	(65 bid — asked)			
21	8	•	...	Maclaren Pr. pf.	180	16	17½	17	17½
8	3½	•	...	M. L. Gardens.	28	7	8	6⅜	6⅜
8	5	70c	9.3	Do. pref.	50	6½	7½	7½	7½
7	1	•	...	Maple Leaf M.	491	5	5	4½	4½
10½	2½	•	...	Do. pref.	67	9	8½	7⅜	8½
16	15⅜	70+2½c	..	Maritime Tele.	....	(16 bid — asked)			
17	16⅜	70c	4.2	Do. pref.	....	(16½ bid — asked)			
15⅜	12	•	...	Marcus Loew's	....	(12 Sept. 28)			
*115	115	7+24.50▲	...	Do. pref.	....	(— bid — asked)			
9½	2⅜	•	...	Massey-Harris	20615	7½	8	5½	5⅜
64	29½	•	...	Do. pref.	7690	62	64	58⅜	58⅜
9⅜	5	•	...	McColl Fron.	319	8½	8½	8	8
98	92½	6	6.2	Do. pref.	129	96½	96½	95½	96
2.00	1.20	•	...	Melchers	10	1.75	1.75	1.75	1.75
7	4	60c	10	Do. pref.	47	6⅜	6½	6	6½
1½	1½	•	...	Mercantile Tr'n.	....	(— bid — asked)			
5	5	3%	...	Do. pref.	....	(— bid — asked)			
*2½	2½	•	...	Mercury Mills	....	(— bid 1½ asked)			
25½	5½	•	...	Do. pref.	85	17	17½	16½	17½
52	50	2	4	Mitchell, J. S.	....	(50 bid — asked)			
113	112	7	6.2	Do. pref.	....	(112 bid — asked)			
20	6	•	...	Mitchell, Robt.	146	14½	14½	13½	13½
3½	1	•	...	Monarch Knit.	....	(2½ bid 5 asked)			
52	19½	•	...	Do. pref.	....	(40 bid — asked)			
55	33	2	3.6	Montreal Cot.	15	55	55	55	55
101	98	7	6.9	Do. pref.	....	(102 bid 115 asked)			
1.50	.25	•	...	Mont. Is. Pr.	24	1.50	.25	.25	.25
33	26	1.50	4.9	Mont. L. & Pr.	4363	30½	30⅜	30	30½
51⅜	41½	•	...	Do. Notes	359	49⅜	50	49½	49⅜
28	25	2	8	Montreal Loan.	....	(22 bid — asked)			
1.00	.50	•	...	Mtl. Refrig & S	....	(.50 Aug. 28)			
12⅜	10	1.25	...	Do. pref.	....	(10 Aug. 28)			
60	50	3.20	6.4	Montreal Tele.	100	50	50	50	50
73	53	6	11.1	Montreal Trams	87	57	56	53	53⅞
45½	35	1.60+40c	4.5	Moore Corp.	792	44	44½	43	44
182	150	7	3.9	Do. pref. (A)	56	179	177	175	177
267	208	7	2.6	Do. pref. (B)	10	267	264	264	264
.10	.05	•	...	Muirheads	107	.10	.05	.05	.05
*4	2⅜	•	...	Do. pref.	....	(— bid 3½ asked)			
				N, O					
43	31	2	5.5	Nat. Breweries.	1016	36	36⅜	35	36⅜
45½	35	1.75	4.4	Do. pref.	65	40½	41	40	41
7⅜	4½	•	...	Nat. Grocers	300	7	7½	7	7
25⅜	23	1.50	5.9	Do. pref.	435	25½	25½	25½	25½
13½	8	•	...	N. Sew. Pipe A.	200	8½	8½	8½	8½
76½	39½	2	3	Nat. Steel Car.	2352	69	68⅜	64	65⅜
205	190	8	4.1	National Tr.	20	195	195	195	195
7½	7½	50c	6.9	Neon Inv.	....	(— bid 7⅜ asked)			
28	16	1	4.2	Niag. W. Weav.	337	22	24	22	22½
1.25	.40	•	...	North Star Oil.	....	(.60 bid 1.00 asked)			
3½	3	35c	9.7	Do. pref.	....	(3⅜ bid 3⅜ asked)			
95½	92	6	6.4	N. S. L. & Pr.	....	(92 bid — asked)			
107	102	6	5.7	Do. pref.	....	(106½ bid — asked)			
*15	9	•	...	N. S. Steel, pf.	....	(— bid — asked)			
35⅜	23	1	3.2	Ogilvie Flour	435	31⅜	32	31	31½
170	150	7	4.5	Do. pref.	10	157	156	156	156
112	98½	5	5.1	Ontario Loan	....	(105 bid 115 asked)			
*7½	4½	•	...	Ont. Silknit	....	(— bid 5 asked)			
25	7½	•	...	Do. pref.	15	25	25	25	25
3	3	•	...	Do. Rights	10	..	3	3	3
14½	6	•	...	Ont. Steel	....	(9 bid 15 asked)			
110	90	7	6.4	Do. pref.	....	(110 Oct. 12)			
5	1½	•	...	Orange Crush.	1221	4½	4½	4½	4½
7⅜	4	70c	10	Do. pref.	301	7½	7⅜	7	7½
13	13	•	...	Ottawa Car Air.	95	..	13	13	13
8½	4	•	...	Ottawa El. Rly.	115	6½	7	6½	6½
15½	14	1	6.7	Ott. L. H. & Pr.	292	15	15	14⅜	15
102	98	5	5	Do. pref.	....	(99 bid — asked)			
				P, Q, R					
20	10	3c	...	Pacific Coyle	....	(20 bid 30 asked)			
110	93	4	3.7	Page Hersey	62	109	108	105	107
7	4½	•	...	Pantepec Oil	....	(5 bid 6½ asked)			
20	5	50c	...	Paton Mfg.	....	(17 bid — asked)			
115	100	7	6.1	Do. pref.	....	(110 bid — asked)			
65	38	3	4.8	Penmans	....	(60 bid 62 asked)			
130½	115	6	4.6	Do. pref.	6	130	130	125	130
20	15	1	5.4	Photo Eng.	5	18½	18½	18½	18½
101	95½	7	7	Porto Rico Pr p	....	(99½ bid — asked)			
12½	7	60c	5.4	Power Corp.	956	11	11	10	10
105	96	6	6	Do. pref.	21	101	101	99½	100½
47	41	3	7	Do. 2nd pref.	10	41	43	43	43
13	5	•	...	Pressed Metals.	680	11½	12	11⅜	11⅜
24	6½	•	...	Price Bros.	4420	20½	21	20½	20½
66½	36	•	...	Do. pref.	100	66	66½	66	66½
8	5½	20c	3.3	Prov. Transport	350	7	6½	6	6
19	15	1	5.9	Quebec Power.	110	16½	17	16½	17
5	4½	•	...	Quebec Teleph.	....	(4½ bid — asked)			
35	30	2	6.7	Real Estate L'n	....	(30 bid 35 asked)			
7½	2	•	...	Regent Knit	25	7	6	6	6
21	17	•	...	Do. pref.	....	(17 bid 18 asked)			
2⅜	2	25c	...	Reinhardt Brew	....	(2 bid 2½ asked)			
6½	1½	•	...	Reliance Grain.	45	5½	5½	5	5
*12½	10½	80c	...	Remington R'd.	....	(10½ bid — asked)			
28	22½	2	7.2	River S. Mill.	15	28	28	28	28
4½	1⅜	•	...	Rogers Majest.	893	3	3	2½	3
16	7	50c	...	Rolland Pap.	50	11	16	16	16
18	6	50c	...	Do. Vot. Trust	125	18	16½	16½	16½
99	90	6	6.2	Do. pref.	55	98	96	96	96
193	140	8	4.4	Royal Bank	132	179	185	181½	185
100	71	7	7	Russell Indust.	....	(115 bid — asked)			
131	112	7	5.3	Do. pref.	....	(131 bid 139 asked)			
				S					
107½	100	5.50	5.1	Saguenay Pr. p.	75	107	107½	107	107
26	17½	1	3.8	Sangamo	25	22	26	25½	25½
8	4	•	...	Sarnia Br. (A)	....	(6½ bid 7 asked)			
6	2	•	...	Do. (B)	....	(2½ bid 4 asked)			
25	18½	90c	3.8	Shawinigan Pr.	3121	23½	24	22½	23½
14½	10	•	...	Sher. Wms.	1215	12½	13½	12½	13½
115	103	7	6.2	Do. pref.	16	110	112	112	112
5	1½	•	...	Silverwoods	344	5	5	5	5
7½	3½	40+20c▲	5.5	Do. pref.	425	7½	7½	7	7
9	7	60c	8.2	Simon & Son.	....	(8 bid 9 asked)			
106	102	7	6.7	Do. pref.	....	(— bid 110 asked)			
19	9½	•	...	Simpson, A.	....	(15 bid 18 asked)			
8	1½	•	...	Do. (B)	....	(7 bid 8 asked)			
96½	75	5+1	5.2	Do. pref.	75	95½	96	95	96
138½	115	6	4.4	Simpson, R., pf.	20	136	136	136	136
14	10	80c	5.7	So. Can. Pr.	275	14	14	14	14
112⅜	106	6	5.5	Do. pref.	51	109	108½	108½	108½
6½	1½	•	...	St. Law. Corp.	1275	5½	5½	5½	5½
19⅜	6	1▲	...	Do. (A)	1660	18	19⅜	17½	19⅜
32	17½	1+50c	5	St. Law. Flour.	....	(29 bid 30½ asked)			
125	111	7	5.6	Do. pref.	5	120	125	125	125
49½	21	•	...	St. Law. Pap. p.	490	43	46	43	43
10⅜	3	50c	5	Stand. Chem.	15	10½	10	10	10
1	1	•	...	Stand. Clay	....	(1½ bid 3 asked)			
3.50	.70	•	...	St. Pav. & Mat.	300	1.00	1.00	1.00	1.00
5½	2½	•	...	Do. pref.	70	4⅜	5	5	5
42	35	3	7.7	Stand. Steel, pf.	....	(38 bid 40 asked)			
21½	16⅜	60+40c	5	Stedman Bros.	21	20	21½	20	20½
89	66½	1.75‡	4.3	Steel of Can.	283	85½	86½	84½	85½
85	66½	1.75	2.1	Do. pref.	278	83½	83	81½	81½
4	2	•	...	Sterling Coal	....	(— bid 3½ asked)			
.20	.15	•	...	Stop & Shop.	....	(— bid .20 asked)			
10	6½	80c	8	Stuart, D.A. pf.	....	(11 bid 14 asked)			
4½	2	•	...	Supersilk, H. A.	295	2½	3	3	3
4½	2½	•	...	Do. (B)	30	4	4	4	4
85	71	5	6.2	Do. pref.	....	(81 bid 82 asked)			
38½	32	1+25c	3.9	Sup. Pete. ord.	....	(31⅜ bid 34 asked)			
37½	35	1+25c	3.3	Do. com.	....	(34 bid — asked)			
				T, U, V					
13	10	80c	6.7	Tamblyn	30	12	12	12	12
54	42	2.50	4.8	Do. pref.	40	52½	52½	52½	52½
4	2½	•	...	Thayers	....	(2½ bid 3 asked)			
35	30	3.50	11.3	Do. pref.	1	35	31	31	31
*.50	.25	•	...	Thrift Stores	....	(.25 bid 1.00 asked)			
8	2½	•	...	Do. pref.	....	(— bid 10 asked)			
15	8½	60c	4	Tip Top Tailors	....	(12½ bid 13½ asked)			
110	95	7	6.4	Do. pref.	22	106½	110	110	110
3½	1	•	...	Tooke Bros.	210	3	3	3	3
15½	5	•	...	Do. pref.	....	(10 bid 14 asked)			
30½	10	•	...	Tor. Elevators	1465	29	30½	28	30
49½	41½	2.62½	5.3	Do. pref.	20	48½	49	49	49
90	79	4	5	Tor. Gen. Tr.	....	(80 bid 85 asked)			
113	94	6	6.3	Toronto Mtge.	15	94	95	94	95
170	150	7	4.5	Tuckett Tob. p.	....	(149 bid — asked)			
3	2	•	...	Twin City	28	2½	2½	2½	2½
15½	11	80+20c	6.5	Union Gas	1428	15½	15½	15½	15½
14½	11	75c	6	Un. Amuse. A.	....	(11½ bid — asked)			
14	10½	75c	6.5	Do. (B)	....	(11½ bid — asked)			
1.05	.90	•	...	Un. Cigar-W.	....	(1.00 July 31)			
.75	.50	•	...	United Distill.	400	.55	.60	.60	.60
39½	35	3	7.6	United Fuel, pf.	735	38	39½	37½	39⅜
6½	2⅜	•	...	Do. B. pref.	860	6	6½	5⅜	6
6½	4½	•	...	United Secs.	....	(2 bid 6 asked)			
7⅜	3	•	...	United Steel	1910	6½	6⅜	6	6
3⅜	2	•	...	Viau Bisc.	1	3½	2½	2½	2½
55½	47	5	9.6	Do. pref.	....	(52 Oct. 13)			
				W, Y, Z					
33	12	1	3.5	Wabasso Cot.	....	(26 bid — asked)			
51	33½	4	9.2	Walker-Good.	632	43½	44	43½	43⅜
20⅜	16½	1	5.2	Do. pref.	523	19⅜	20	19⅜	19⅜
1.40	.70	•	...	Walkerville Br.	100	1.00	.95	.95	.95
*125	123	7	5.6	W. Koot. Pr. pf	....	(— bid — asked)			
7½	2	•	...	West. C. Flour.	....	(3 bid 4½ asked)			
50	15	•	...	Do. pref.	80	35	31	28	30
50	45	3	6	West Grocers.	....	(— bid 54 asked)			
114	103½	7	6.4	Do. pref.	....	(108 bid 110 asked)			
11	10½	50c	4.5	W'minster Pap.	....	(12 bid — asked)			
13	9⅜	80c	6.3	Weston Ltd.	765	12⅜	12⅞	12⅜	12⅜
96	55	5	5.6	Do. pref.	5	90	90	90	90
24	17	1	4.3	Wilsils	110	23	23½	23	23½
3½	1	•	...	Winnipeg El. A	355	2½	2⅜	2½	2½
3½	1	•	...	Do. (B)	376	2½	2½	2½	2½
15	6	•	...	Do. pref.	40	10½	11	10½	10½
70	60	7	...	Wood, A. & J. p	....	(65½ bid 78 asked)			
51	17½	•	...	Woods Mfg. pf.	20	45	45	45	45
8	4	•	...	York Knitting	100	7½	7½	7½	7½
100	100	7	7	Do. 1st pref.	....	(100 Jan. 4)			
9½	7	•	...	Zellers	425	8⅜	9½	8⅜	9½
25	22	1.50	6.5	Do. pref.	100	23	23	23	23

Quotations: *1938. *1937. b New York quotations.
▲ On account of arrears.
‡ Plus extra of $2 paid Feb. 1, 1939.
† Interim.

Mining Stocks

Week Ending November 20.

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov 13 (or last)	High for week	Low for week	Close Nov. 20
			A					
1	.04	.01½	Afton	......	(.01½ bid .02½ asked)			
No	.65	.24	Aldermac	22,850	.42	.44	.39	.39
1	.17	.04½	Amm. Gold	2,600	.06	.07	.05½	.05½
No	3.25	2.00	Anglo-Huronian	180	2.55	2.60	2.45	2.45
No	.02	.01	Arno	......	(.01 bid .02 asked)			
1	.17½	.05½	Arntfield	25,800	.10	.12	.10	.10
1	.10½	.04½	Ashley	2,500	.06½	.06	.05½	.05½
1	.06½	.01	Astoria Quebec	1,500	.02½	.02½	.02½	.02½
1	2.87	1.65	Aunor Gold	31,211	2.19	2.36	2.20	2.28
			B					
1	.23	.06	Bagamac	20,300	.11	.13½	.10	.12½
1	.38	.15	Bankfield	16,733	.20	.20½	.20	.20
No	.34	.10	Base Metals	......	(.15 bid .22 asked)			
1	.32	.05	Bear Exploration	7,200	.05½	.07½	.05½	.07½
No	1.40	.92	Beattie Gold	5,465	1.10	1.15	1.07	1.08
1	.16½	.07½	Beaufor	2,800	.15	.15	.14	.15
1	.30	.09½	Bidgood Kirk	18,800	.13½	.14	.13	.13½
1	.35	.08	Big Missouri	200	.11½	.12	.12	.12
1	.22	.05½	Bobjo	11,650	.08½	.09	.08	.08½
1	.12	.04	Bouscadillac G.M.	......	(.03½ bid .05 asked)			
No	12.50	9.10	Bralorne	1,790	10.87	11.00	10.75	11.00
1	.08	.03	Brasil Gold	......	(.03½ bid .06 asked)			
1	.03½	.01	Brett Trethewey	1,000	.01	.01	.01	.01
1	.75	.19	Broulan Porc.	56,200	.43	.44	.42	.43
1	15.50	5.75	Buffalo Ankerite	2,410	7.40	7.90	7.15	7.15
No	.05	.01	Buffalo Can.	1,000	.03½	.03	.03	.03
5	28.00	17.75	Bulolo Gold	15	25.50	25.50	25.50	25.50
No	.11½	.02	Bunker Hill	1,500	.02½	.02½	.02½	.02½
			C					
No	1.03	.48	Can. Malartic	4,400	.70	.70	.68	.68
1	.03½	.01	Capital Rouyn	......	(.... bid .01½ asked)			
1	2.40	1.70	Cariboo Gold	3,700	2.15	2.20	2.15	2.20
1	.06	.01½	Cartier Malartic	......	(.02 bid .02½ asked)			
1	1.05	.50	Castle Trethewey	2,100	.65	.69	.65½	.68½
1	.25½	.09	Cen. Cadillac	6,900	.15	.15	.14	.14½
1	2.75	1.91	Cen. Patricia	1,975	2.30	2.44	2.30	2.36
1	.14½	.05	Cen. Porcupine	10,000	.07½	.08	.07	.08
1	.25	.12	Century Mining	2,000	.14	.18	.12	.18
1	1.39	.62	Chesterville	62,809	.85½	1.01	.83	.99
No	.88	.40	Chromium	7,600	.60	.63	.60	.60
5	4.50	1.50	Coast Copper	......	(2.06 bid 2.50 asked)			
5	2.00	1.25	Coniagas	......	(1.45 bid 1.60 asked)			
No	2.34	1.10	Coniaurum	7,125	1.64	1.68	1.55	1.63
1	.30	.10	Con. Chibougamau	1,420	.14	.15	.12	.12
5	61.25	37.50	Cons. Smelters	1,187	49.75	49.75	49.00	49.00
			D, E					
1	.17	.05	Denison Nickel	13,400	.08	.09	.07½	.09
No	34.25	23.00	Dome Mines	2,004	29.75	29.75	29.25	29.25
1	.06	.02	Dom. Explorers	......	(.01½ bid .03 asked)			
1	.09½	.03	Dorval Siscoe	8,000	.03½	.05	.03½	.05
1	.08	.01½	Duparquet	1,000	.02	.01½	.01½	.01½
1	.27	.05	Duquesne	4,500	.08	.12	.09½	.10
1	3.10	2.00	East Malartic	36,622	2.91	3.10	2.88	3.05
1	2.36	.74	Eldorado	16,560	1.07	1.11	1.00	1.01
			F, G					
No	6.75	4.50	Falconbridge	2,350	4.60	4.80	4.60	4.70
1	.08½	.02	Federal	5,700	.03½	.04½	.03½	.04½
1	.17	.02½	Fernland	700	.03	.03	.03	.03
No	.77	.15	Francoeur Gold	76,600	.40	.49	.41	.45
1	.11½	.04	Gillies Lake	3,600	.06	.06½	.06	.06
1	.05	.01½	Glenora	1,500	.02	.02	.02	.02
No	.62	.20	God's Lake	34,400	.59	.62	.58½	.61½
1	.28	.15	Goldale	5,800	.17	.21	.18	.19
50c.	.63	.19	Gold Belt	......	(.22 bid .30 asked)			
1	.19	.04½	Gold Eagle	12,950	.17½	.18	.17	.18
1	.25½	.22	Golden Gate	18,600	.22½	.25½	.23½	.23½
1	.03½	.01	Goodfish	1,000	.01½	.01½	.01½	.01½
1	.04	.01½	Graham Bosquet	2,000	.02½	.02½	.02½	.02½
No	.07	.04½	Grandora	1,500	.06	.05½	.05½	.05½
1	.02½	.01½	Grull Wihksne	......	(.01 bid .04 asked)			
1	.64	.35	Gunnar Gold	7,700	.50	.50½	.48	.50
			H, I, J					
1	.03½	.00½	Halcrow Swayze	20,500	.01½	.03	.02	.02½
1	.08	.01½	Halliwell Gold	2,500	.02½	.02½	.02½	.02⅜
1	1.95	.70	Hard Rock	52,660	1.15	1.39	1.20	1.35
1	.10	.04	Harker	2,400	.05½	.06½	.05½	.05½
1	1.58	.28	Hedley Mascot	......	(.41 bid .45 asked)			
5	15.50	12.00	Hollinger	4,150	14.50	15.00	14.50	14.75
1	.37	.22	Howey Gold	17,550	.32	.33	.32	.33
No	40.00	25.50	Hudson Bay	2,085	34.00	34.75	33.25	33.25
1	.45	.15	Inspiration	1,900	.28	.32	.30	.30
1	9.87	7.00	Inter. Mining	......	(9.87 Sept. 5)			
No	60.12	42.75	Int. Nickel	2,336	47.75	48.12	47.50	48.00
50c.	1.26	.70	Island Mountain	......	(.90 bid 1.05 asked)			
1	.11½	.02	Jacola	......	(.03½ bid .04 asked)			
1	.50	.16½	Jack Waite	......	(.27 bid .40 asked)			
1	.22	.05	Jellicoe	2,734	.09½	.08½	.08	.08½
1	.11	.02	J. M. Cons. Gold	1,000	.03½	.03	.03	.03
1	.06½	.02	Joliet Quebec	14,000	.02	.02½	.02	.02½
			K, L					
1	2.14	1.47	Kerr Addison	38,495	1.98	2.06	1.95	1.99
1	.65	.30	Kerr Lake	......	(.26 bid 1.00 asked)			
1	.10	.01½	Kirk. Gold Rand	......	(.02½ bid .... asked)			
1	.73	.16	Kirk. Hud. Bay	600	.17	.21	.18	.21
1	1.75	1.00	Kirkland Lake	16,328	1.35	1.40	1.35	1.36
1	.13½	.06	Kirk. Townsite	2,500	.10	.11	.09	.11
1	50.50	29.25	Lake Shore	6,651	29.63	30.00	29.25	29.87
1	7.30	5.50	Lamaque Gold	3,305	6.75	6.85	6.70	6.85
1	.54	.10	Lapa Cadillac	3,400	.13	.14	.11	.13½
1	.85	.59	Lava Cap	300	.80	.85	.82	.85
1	.08½	.01	Lebel Oro	2,500	.02	.02	.02	.02
1	.90	.58	Leitch Gold	12,050	.80	.80½	.78	.79
No	3.60	2.30	Little Long Lac	4,300	3.05	3.20	3.05	3.20
			M					
1	5.90	3.50	Macassa	3,175	4.25	4.35	4.25	4.35
1	3.20	1.30	MacLeod Cockshutt	36,980	2.05	2.45	2.06	2.35
1	.55	.22	Madsen Red Lake	24,000	.44	.47	.42½	.45
1	.87	.35	Malartic Gold	141,935	.71	.87	.69	.82
No	.23	.08	Mandy	1,600	.14	.14½	.12	.12
No	.02½	.00½	Man. & Eastern	......	(.01 bid .01½ asked)			
1	.07	.01	Maralgo	......	(.03½ bid .04 asked)			
5	59.63	45.00	McIntyre	275	56.50	57.00	54.50	54.50
1	1.38	1.0[illegible]	McKenzie R.L.	26,350	1.26	1.32	1.24	1.31
1	.20½	.06	McVittie Graham	3,700	.09	.10½	.10	.10
No	.75	.3[illegible]	McWatters	10,600	.55½	.56	.55	.55
5	.35	.30	Mentor Exploration	......	(.31 May 17)			
No	2.05	1.00	Mining Corp.	3,101	1.25	1.25	1.20	1.21
1	1.45	.65	Moneta	14,750	.90	.97	.90	.90
1	.20	.04	Morris Kirk.	64,905	.06½	.06½	.05½	.05½
1	.02½	.01	Murphy	......	(.01 bid .01½ asked)			
			N, O					
1	.51½	.08½	Naybob	37,900	.14½	.17	.13½	.17
No	.09	.02	Newbec	3,000	.03½	.03½	.03½	.03½
1	.25	.05	New Golden Rose	1,000	.06	.08	.08	.08
5	1.80	1.00	Nipissing	300	1.35	1.35	1.35	1.35
No	84.00	69.00	Noranda	3,030	75.50	77.00	75.50	76.50
No	.60	.40	Nor. Canada	2,000	.48	.51	.43	.51
1	.06½	.02	Norgold	11,000	.02½	.03½	.03	.03
1	.95	.30	Normetals	5,456	.55	.68	.60	.65
1	9.50	7.50	Northern Empire	......	(9.00 bid 9.75 asked)			
1	3.25	1.20	O'Brien	6,675	1.51	1.55	1.50	1.51
1	.53	.20	Omega	8,200	.21	.23½	.20	.21
1	.52½	.15	Oro Plata	20,700	.25	.32	.25	.30
1	.14	.07	Osisko	1,000	.08	.07	.07	.07
			P, Q, R					
No	4.85	1.65	Pamour	6,250	2.05	2.05	1.95	1.99
1	.16	.02½	Pandora	1,000	.04	.04½	.04	.04
1	2.55	2.00	Pato Cons. G.	......	(2.10 bid 2.35 asked)			
1	.07½	.02	Partanen Mal.	6,700	.02½	.02	.02	.02
1	.02	.00½	Pawnee Kirk.	......	(.00½ bid .01½ asked)			
1	.61	.28	Paymaster	27,700	.34	.37	.33½	.35
1	3.95	1.01	Pend Oreille	6,600	2.65	2.67	2.45	2.50
1	2.05	1.40	Perron Gold	4,310	1.87	1.97	1.89	1.95
1	5.60	3.50	Pickle Crow	4,526	4.20	4.35	4.20	4.30
1	2.70	2.00	Pioneer Gold B.C.	2,554	2.20	2.25	2.20	2.25
100	14.50	10.00	Placer Devel.	100	12.00	12.00	12.00	12.00
1	2.45	1.18	Powell Rouyn	8,200	1.77	1.95	1.73	1.93
1	2.40	1.10	Premier Gold	400	1.42	1.45	1.40	1.45
1	2.20	1.10	Preston E. Dome	131,545	1.95	2.20	1.91	2.12
No	.58	.40	Prospectors Air's	......	(.... bid .50 asked)			
1	.65	.24	Quebec Gold	400	.30	.27	.27	.27
No	.15	.04	Quemont	......	(.07 bid .12 asked)			
No	.09	.02	Red Crest	......	(.02½ bid .07 asked)			
1	.56	.20	Reno Gold	3,902	.50	.52	.40	.52
1	.59	.20	Reeves McDonald	......	(.... bid .45 asked)			
1	.01½	.00½	Robb Montbray	3,600	.00½	.00½	.00½	.00½
3	[illegible]	.05	Roche Long Lac	2,600	.04½	.05	.05	.05
			S, T, U, V, W, Y					
1	2.03	1.18	San Antonio	11,500	1.75	1.90	1.75	1.80
1	.17	.05	Sand River	17,500	.10	.10	.08	.08
1	.51	.17	Senator Rouyn	76,100	.35	.43½	.32	.41
1	.04½	.02	Shawkey	......	(.02½ bid .03 asked)			
50c.	1.25	.90	Sheep Creek	500	1.15	1.17	1.17	1.17
1	2.00	.75	Sherritt Gordon	25,360	1.34	1.28	1.16	1.19
1	9.25	5.20	Sigma Mines	2,673	8.75	9.25	8.20	8.20
1	1.65	.80	Siscoe	60,190	.84	.90	.80	.89½
1	.80	.21	Sladen Malartic	18,850	.40	.45	.41	.43
1	.13½	.02½	Slave Lake	31,200	.09	.10	.08½	.09½
No	1.03	.25	Stadacona	172,282	.40½	.41	.30	.31
1	.15½	.06½	St. Anthony	9,800	.11	.13	.10½	.11½
No	1.93	1.50	Steep Rock Iron	14,600	1.68	1.85	1.70	1.73
No	.11	.02½	Straw Lake	55,500	.04½	.05½	.04½	.04½
1	.24½	.09	Sturgeon River	10,600	.11½	.11½	.11	.11½
No	3.00	1.70	Sudbury Basin	1,600	2.11	2.10	2.05	2.10
1	.14½	.04	Sudbury Contact	......	(.05 bid .08 asked)			
1	1.01	.58	Sullivan Cons.	4,800	.75	.80	.75	.80
1	3.55	2.70	Sylvanite	6,750	2.95	3.15	2.99	3.05
1	4.70	3.75	Teck Hughes	4,135	4.05	4.15	4.05	4.10
1	.14½	.04½	Temiskaming	3,200	.08	.08	.07	.07
1	2.30	1.25	Toburn Gold	1,000	1.62	1.80	1.69	1.80
1	.44	.19	Towagmac	1,000	.28	.28	.27	.27
1	1.65	.65	Uchi Gold	10,825	.83	.84	.80	.84
	97.75	86.00	Do., Bonds	$600	96.00	94.00	93.00	94.00
1	.71	.52	Upper Canada	16,400	.68	.69	.67	.68
No	5.80	3.75	Ventures	1,065	4.45	4.70	4.30	4.70
No	8.25	5.00	Waite Amulet	3,899	6.10	6.20	6.00	6.00
1	.15	.06½	Wendigo	6,350	.11	.11	.08	.08
No	.01½	.00½	White Eagle	......	(.00½ bid .01 asked)			
1	.08½	.01½	Whitewater Mines	550	.04½	.04½	.03	.04½
1	.08½	.02	Wiltsey Coughlan	1,500	.03	.03	.03	.03
1	.19	.08	Wood Cadillac	16,000	.14½	.14½	.13	.14
No	8.90	6.70	Wright-Hargreaves	7,936	8.20	8.35	8.00	8.20
No	.09	.03	Ymir Girl	500	.04½	.05	.05	.05

Oil Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov 13 (or last)	High for week	Low for week	Close Nov. 20
No	.10	.04	Acme Gas & Oil	1,500	.06	.05½	.04½	.05½
1	.30	.10	Alta. Pac. Cons.	......	(.... bid .22 asked)			
1	.30	.15	Ajax	......	(.16 bid .... asked)			
No	1.52	.60	Anglo Canadian	20,900	1.01	1.00	.93	.93
No	.15½	.07½	Anaconda	......	(.... bid .07 asked)			
No	.21½	.06	Br. Dominion	2,000	.16	.15½	.15	.15
No	.33	.13	Brown Oil	6,100	.20½	.21	.18	.19½
100	65.00	48.00	Do., pref.	25	63.00	64.00	63.00	63.00
No	2.80	1.11	Calgary & Ed.	4,600	2.16	2.19	2.10	2.14
1	.65	.20	Calmont	1,800	.38	.38	.35	.35½
No	.55	.24	Commoil	500	.35	.32	.32	.32
No	.36	.21	Common Pete	100	.25	.24	.24	.24
No	.75	.25	Dalhousie	7,900	.48	.48	.39	.44
No	.60	.18	Davies Pete	5,600	.25	.28	.25	.26
No	.13	.04½	East Crest	5,100	.06½	.06½	.06	.06
No	.27	.19½	Extension Oil	4,200	.24	.22	.21½	.22
25c.	.13	.07	Firestone Pete	1,000	.09	.08½	.08	.08½
No	1.45	.40	Foothills	1,000	.65	.67	.60	.60
25c.	.14½	.06½	Foundation Pete	......	(.11 bid .12½ asked)			
50c.	.08	.06½	Grease Creek Pete	......	(.08 Sept. 13)			
No	.20	.10	Hargal	500	.18	.18½	.18½	.18½
No	.35	.08	High Sarcee	3,500	.20	.19	.18	.19
No	3.75	1.23	Home	23,427	2.43	2.41	2.26	2.37
1	.26½	.05	Homestead O. & G.	25,400	.07½	.07½	.05½	.07½
No	.23	.08	McD. Segur	2,200	.15	.13	.13	.13
No	.07	.03	Merland	800	.03½	.03	.03	.03
1	.48	.20	Model	500	.25	.26	.26	.26
25c.	.12½	.06	Monarch Royalties	3,500	.08½	.08½	.08	.08½
1	.13	.04	Nordon	......	(.04 bid .07 asked)			
No	.03½	.01½	Oil Selections	500	.02	.01½	.01½	.01½
No	1.73	.67	Okalta	2,100	1.15	1.15	1.08	1.11
1	.12	.03	Pacalta	4,000	.05½	.05	.05	.05
1	.44	.34	Pacific Pete	800	.34	.32	.32	.32
1	.30	.25	Petrol Oil & Gas	200	.25	.35	.35	.35
25c.	.25	.17	Prairie Royalties	1,000	.22	.22½	.22½	.22½
No	45.63	26.00	Royalite	2,786	39.50	38.00	32.50	33.00
No	.75	.25	South West Pete.	520	.50	.40	.30	.40
No	.11½	.04	South End	2,000	.05	.05	.05	.05
No	1.30	.60	Texas Can.	4,250	.71	.82	.79	.79
No	.15½	.07	United Oils	......	(.07 bid .10 asked)			
No	1.00	.35	Vulcan	1,200	.50	.50	.40	.40
No	.08½	.04	West Flank	......	(.03½ bid .04 asked)			

Vancouver Stocks

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov 13 (or last)	High for week	Low for week	Close Nov. 20
1	.30	.10	Big Missouri	200	.11½	.12	.12	.12
25c.	.01½	.00½	Bluebird	......	(.00½ bid .01 asked)			
No	12.50	9.00	Bralorne	450	10.90	11.25	10.75	11.25
1	.03½	.02	Bridge River Cons.	......	(.01½ bid .03 asked)			
1	2.40	1.70	Cariboo Gold	1,350	2.15	2.20	2.15	2.20
No	.06½	.01½	Dentonia	......	(.01½ bid .... asked)			
No	.07	.01½	Fairview Amal.	11,500	.02	.02½	.02	.02½
1	.01½	.00½	Federal Gold	......	(.00½ bid .01 asked)			
1	.40	.20	George Copper	......	(.25 Oct. 19)			
1	.10	.03	Golconda	1,000	.05	.05	.05	.05
50c.	.62	.15	Gold Belt	......	(.23 bid .25 asked)			
50c.	.19	.03½	Grandview	3,700	.12	.12½	.12	.12
1	.03½	.01	Grull Wihksne	8,000	.01½	.02	.02	.02
1	1.54	.26	Hedley Mascot	3,300	.44	.44	.42	.42
No	.01	.00½	Home Gold	1,000	.00½	.00½	.00½	.00½
1	.01½	.00½	Indian Mines	......	(.01 bid .... asked)			
50c.	1.40	.75	Island Mountain	100	1.00	.95	.95	.95
1	.34	.27	Inter'l Coal	......	(.... bid .30 asked)			
50c.	1.55	.60	Kootenay Belle	450	.70	.65	.65	.65
10c.	.05	.01	Lucky Jim	......	(.02½ bid .03 asked)			
No	.02	.00½	Mak Siccar	......	(.00½ bid .01 asked)			
10c.	.70	.28	Metaline Mining	......	(.52 bid .... asked)			
1	.23	.21	McGillivray Creek	......	(.... bid .23 asked)			
No	.03	.01	Minto Mines	......	(.01 bid .02 asked)			
50c.	.04½	.02	Nicola	4,300	.03	.03	.02½	.02½
50c.	.05	.01	Noble Five	......	(.02½ bid .... asked)			
1	.22	.10	Pacific Nickel	......	(.13 bid .... asked)			
1	4.00	1.20	Pend Oreille	1,500	2.75	2.65	2.50	2.53
No	.00½	.00½	Pilot Gold	2,000	.00½	.00½	.00½	.00½
1	2.70	2.10	Pioneer Gold	1,365	2.17	2.25	2.20	2.25
50c.	.04	.00½	Porter Idaho	2,000	.02	.02	.02	.02
No	.01½	.00½	Premier Border	5,000	.00½	.00½	.00½	.00½
1	2.40	1.12	Premier Gold	2,775	1.42	1.48	1.43	1.48
No	1.45	.80	Privateer Mines	4,600	.89	.93	.90	.93
1	.04½	.02	Quatsino Copper	......	(.03 Oct. 24)			
50c.	.01½	.01½	Red Hawk	......	(.01½ Feb. 11)			
1	.15½	.09	Relief Arlington	200	.13	.12	.12	.12
No	.60	.18	Reeves McDonald	......	(.... bid .40 asked)			
1	.58	.22	Reno Gold	4,800	.51	.55	.50	.55
1	.02	.00½	Rufus Argenta	......	(.00½ bid .01 asked)			
1	.09	.02	Sally Mines	......	(.05 bid .06½ asked)			
50c.	.12	.04	Salmon Gold	1,000	.03	.04	.04	.04
50c.	1.25	.91	Sheep Creek	3,850	1.13	1.23	1.15	1.21
1	1.85	.95	Silbak Premier	......	(1.10 bid 1.19 asked)			
No	.02	.00½	Silvercrest	......	(.00½ bid .... asked)			
1	.15	.08	Sunloch	......	(.10 bid .... asked)			
50c.	.07	.13	Surf Inlet	......	(.15 Oct. 5)			
No	.06½	.02½	Taylor Bridge	......	(.03 bid .04 asked)			
No	.06½	.02½	Vidette Gold	......	(.... bid .06 asked)			
50c.	.02½	.00½	Waverley Tangier	......	(.00½ bid .00½ asked)			
20c.	.03½	.00½	Wellington	......	(.01 bid .02 asked)			
50c.	.01½	.00½	Wesko	......	(.00½ bid .00½ asked)			
1	.09	.01½	Whitewater	2,300	.05	.05	.04	.04½
No	.08	.03½	Ymir Yankee Girl	......	(.04½ bid .05½ asked)			

Oil Quotations

Par Val.	Range 1939 High	Low	Company	Sales	Close Nov 13 (or last)	High for week	Low for week	Close Nov. 20
1	.30	.11	Alta. Pac. Cons.	320	.15	.18	.17	.18
1	.01	.00½	Amalgamated	29,200	.01	.00½	.00½	.00½
No	1.52	.60	Anglo Canadian	4,300	1.01	.99	.95	.95
No	.16	.05	Anaconda	4,000	.07½	.07	.06	.06
No	.08	.04	Associated Oil	......	(.04 Oct. 19)			
No	.04	.01	Baltac	......	(.02 bid .03½ asked)			
No	.33	.14	Brown Oil	3,000	.20½	.20	.19½	.20
No	.19½	.06	Brit. Dominion	150	.15	.16	.16	.16
No	2.75	1.15	Calgary & Ed.	4,045	2.13	2.20	2.10	2.12
1	.64	.21	Calmont	2,400	.37½	.38	.36	.37½
No	.58	.26	Commoil	......	(.30 bid .35 asked)			
1	.36	.21½	Commonwealth	......	(.24 bid .25 asked)			
No	.68	.33	Dalhousie	100	.48	.43	.43	.43
No	.59	.24	Davies Pete	......	(.32 Oct. 17)			
No	.12	.04½	East Crest	3,000	.07	.06½	.06	.06½
No	.26½	.18	Extension	2,600	.23½	.22	.22	.22
25c.	.13	.07	Firestone	2,000	.08½	.08½	.08½	.08½
No	1.40	.55	Foothills	......	(.65 bid .... asked)			
No	.17½	.02	Freehold	3,000	.02½	.02½	.02½	.02½
25c.	.13	.09	Foundation Pete	......	(.11 Oct. 31)			
No	.15½	.08½	Four Star	1,000	.12	.12	.12	.12
No	.21	.08½	Hargal	......	(.20 bid .25 asked)			
No	.35	.15	High Sarcee	......	(.... bid .20 asked)			
No	3.75	1.22	Home Oil	4,320	2.45	2.41	2.31	2.40
No	.07½	.02	Madison	......	(.03 bid .04 asked)			
No	.09	.02½	Marjon Oil	2,000	.04	.04	.03½	.03½
No	.22½	.09	McD. Segur Ex.	1,000	.15	.14	.14	.14
1	.22	.09	McLeod	......	(.12 Oct. 2)			
No	.13	.05½	Mercury	500	.06½	.06½	.06½	.06½
No	.07½	.03½	Mill City Oil	......	(.05½ Oct. 13)			
No	.10	.04½	Midwest Pete.	......	(.10 Sept. 26)			
1	.49	.20	Model	800	.25	.25	.25	.25
25c.	.11	.06	Monarch Royal.	......	(.05 bid .... asked)			
25c.	.16½	.08	National Pete	2,700	.12	.11½	.11½	.11½
1	.12	.05	Nordon	......	(.06 Sept. 29)			
No	1.70	.66	Okalta	400	1.15	1.10	1.10	1.10
No	.12	.03	Pacalta Oil	......	(.04 bid .... asked)			
1	.52	.35	Pacific Pete	2,400	.35	.34	.31	.32
25c.	.24½	.17	Prairie Royal	1,200	.22	.22	.22	.22
No	.13½	.09½	Royal Crest	400	.12½	.11½	.10	.10
No	45.00	29.00	Royalite	100	39.00	34.50	33.00	34.50
No	.23½	.18	Royal Canadian	15,200	.21½	.21½	.20½	.20½
No	.11½	.02	South End	......	(.04 bid .07 asked)			
No	.75	.25	Southwest Pete	100	.40	.40	.40	.40
1	.12	.04	Spooner	......	(.11 Sept. 26)			
25c.	.41	.30	Sunset Oil	500	.38	.37½	.37½	.37½
No	.16½	.06½	United	1,500	.09	.08½	.08	.08
No	.13	.04½	Vanalta	......	(.06 bid .... asked)			
1	.90	.35	Vulcan	100	.48	.50	.50	.50
No	.07½	.05	West Flank	......	(.05 Aug. 12)			

Winnipeg Stocks

(Transactions from Nov. 13 to Nov. 18)

	Sales	High for period	Low for period	Close Nov. 18
Cryderman	2,000	.00¼	.00¼	.00¼
Central Manitoba	1,000	.03½	.03½	.03½
Dominion Envelope	221	4.50	3.75	4.50
Do., pref.	20	101.50	101.50	101.50
Flin Flon	15,500	.02⅜	.02	.02
Federal Grain, pref.	120	44.00	40.25	40.25
Great Lakes M. & S.	1,000	.02¾	.02¾	.02¾
Gurney Gold	2,000	.01	.01	.01
Home Investment	43	10.00	10.00	10.00
Knee Lake	12,000	.01	.01	.01
Monarch Life	14	24.00	24.00	24.00
Marvel Oils	2,000	.02	.02	.02
Ore Grande	4,000	.03½	.03½	.03½
Rice Lake	2,000	.00½	.00½	.00½
Sachigo	165	6.25	6.25	6.25
United Grain	9	8.00	8.00	8.00
Western Breweries	508	1.50	1.50	1.50
Western Life, 20% pd.	15	10.50	10.50	10.50
Wingold	19,043	.05	.05	.05
Wallace Lake	3,000	.00½	.00½	.00½

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	North. Mtge.	1½	..
Beav. Lumber, c.	2⅝	..	North. Trusts	6	..
Do., pfd.	97	100	Reliance Gr., pf.	53	..
Can. Indemnity	125	..	Traders Bldg.	58	..
Cres. Cream., pf.	10	..	West. Steel	8¾	9¾
Nor. Can. Mtg. p.	2.50	..			

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Nov. 21	25,000	177,900	512,000	55,460
Nov. 20	13,000	38,600	325,000	33,125
Nov. 18	9,900	18,500	237,000	18,409
Nov. 17	21,000	36,800	454,000	39,310
Nov. 16	24,100	29,400	443,000	35,359
Nov. 15	35,000	32,500	421,000	33,000

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 21, 1939

Dominion of Canada Bonds

%	Due	Bid	Ask	Approx. Yld.
1½	June '40	99⅞	100⅛	.56
4½	Sept. '40	102⅜	102⅞	1.00
1	Mar. '41	99⅜	99⅞	1.10
5	Nov. '41	106	106½	1.68
1½	May '42	99	99½	1.70
2	June '42	100½	101	1.80
3	Oct. '42	102⅜	103⅛	1.80
2½	June '43	101½	101⅞	1.98
5	Oct. '43	109½	109⅞	2.45
2	June '44	99	99⅞	2.12
a2½	Jan. '44	94⅞	95½‡	3.36
4½	Oct. '44	108½	109½	2.50
2½	Nov. '44	100½	101⅛	2.24
a2½	Aug. '45	95½	96½‡	3.22
4	Oct. '45	104½	105	b2.67
4½	Feb. '46	109	109⅞	2.79
3½	June '49	100	100⅞	b3.12
3½	Oct. '49	100½	101⅛	b3.22
3½	Nov. '51	99	99⅞	3.27
a5	May '52	103½	‡104½	b3.15
4	Oct. '52	103⅜	104⅜	b3.35
3	June '55	95⅜	96⅛	3.32
4½	Nov. '56	106⅜	107⅛	b3.27
4½	Nov. '57	107	107⅞	b3.39
3	June '58	94⅜	95⅜	3.33
4½	Nov. '58	108	108½	b3.40
4½	Nov. '59	108⅜	109½	b3.40
a4	Oct. '60	97½	98½‡	4.12
a3½	Jan. '61	90	91‡	3.87
3½	June '66	97½	97⅞	3.38
a3e	Jan. '67	86	87‡	3.77
a3e	Nov. '68	86	87‡	3.74
a3†	Perpet'l.	88⅜	88⅞	3.37
	Dominion Guaranteed Bonds			
	Can. Nat'l. Railways:			
2	Feb. '43	99½	100½	1.91
2½	Jan. '46	97	97⅞	2.63
3	May '44	101½	102⅞	2.35
3	Dec. '50	96	97	3.33
3	Feb. '53	95½	96½	3.35
3	Jan. '59	93½	94½	3.39
*4½	Sept. '51	112	113	3.19
*4½	Feb. '56	113½	114½	3.37
c4½	July '57	113½	114½	3.42
*4½	June '55	115⅜	116⅜	3.35
5	Feb. '54	115½	116½	3.53
5*	July '69	113½	114½	b2.74
*5	Oct. '69	116½	117½	b3.37
*5	Feb. '70	116½	...	b3.43
	Provincial Gov't. Bonds			
	New Brunswick:			
3	Oct. '51	89	91	3.95
3½	Aug. '49	92½	94½	3.94
3½	June '56	91½	93½	4.05
c4	Nov. '47	99½	101½	b3.71
c4½	Apr. '61	104	106	4.07
c5	Jan. '60	108	110	4.26
	Nova Scotia:			
3	Jan. '52	92½	94½	3.55
3½	June 56	94	96	3.57
3½	Nov. '50	97½	99	3.61
c4½	Sept. '52	106½	*108½	b3.28
c4½	Nov. '60	107	109	3.87
c5	Mar. '60	112½	114½	3.96
	Ontario:			
2½	May '45	97	99	2.70
3	Apr. '48	96½	97½	3.34
3	Nov. '50	95½	96½	3.38
3½	Nov. '51	98	99	3.35
*4	June '62	104	106	3.61
4½	June '50	108⅜	109⅜	3.39
*4½	Jan. '62	110	112	3.71
5	Oct. '48	111½	112½	3.36
*5	Dec. '60	116½	118½	3.72
5½	July '46	111½	112½	3.39
	Ont. Hydro Commission:			
3	Aug. '48	96½	97½	3.37
3½	Feb. '53	97½	98½	3.41
3½	Apr. '47	100	101½	3.26
	Prince Edward Island:			
3	Oct. '45	97	99	3.19
	Quebec:			
3	Nov. '47	95	96	3.58
3	Nov. '51	93	94	3.62
3½	Mar. '48	96	97½	3.60
3½	June '52	94½	96	3.85
4	Mar. '52	100	102	3.80
4½	Aug. '58	101	103	4.02
4½	Jan. '63	104½	106½	4.07
	Alberta:			
4	Dec. '54	61½	65½	d
4½	Oct. '51	67	..	d
c4½	Oct. '56	63	67	d
*5	Oct. '59	64	68	d
c5½	Apr. '52	65½	69½	d
6	Mar. '47	69½	73½	d
	British Columbia:			
c4	Dec. '57	98	101	3.33
*4½	Jan. '51	100⅞	103⅞	4.09
c4½	Oct. '53	100⅞	103⅞	4.15
c5	Apr. '54	103⅞	106⅞	4.38
5½	Feb. '45	103½	106½	4.09
6	Feb. '47	105	108	4.68
	Manitoba:			
c4	Dec. '57	85½	89½	4.88
c4½	Dec. '56	89½	93½	5.07
*5	Dec. '59	94	98	5.16
5½	Oct. '55	97½	101½	5.38
6	Apr. '47	99	103	5.50
	Saskatchewan:			
4	Sept. '54	73½	77½	6.37
4	Nov. '60	72½	76½	6.06
c4½	Oct. '51	77½	81½	6.75
c4½	Mar. '60	75½	79½	6.30
5	Aug. '58	82	86	6.27
5½	Oct. '52	84½	88½	6.88
6	Mar. '52	88	92	6.97

*Payable Can., N.Y. & £. b—Calculated to call date giving lowest possible yield. c—Payable Can. & N.Y. a—Payable N.Y. †—Callable on or after Sept. 15, 1966. d—Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e—Callable at a premium. ‡—N.Y. funds.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Nov. 21, 1939

Industrials:	Bid	Ask
Acme Farm., p.	16½	..
Andian National	35	36½
Anglo C. Tel., A	8⅜	9½
Barrymore, pfd.	19	..
B. C. Pulp, c.	14	17
Do., pfd.	47	50
B. C. Sugar	92	95
Burns & Co., A	7	7⅜
Do., B	4	4½
Canada Tea, pf.	20	24
Can. Co-op. W'l.	6½	..
Can. G'drich, c.	1½	..
C. I. L., A c.	238	..
Can. Ing. Rand	134	139
Can. Tube, 1st p.	68	72
Chase, A. W., p.	25½	27
Claude Neon, p.	5½	6½
Cons. Sales, B p.	..	78
Cop. Flour Unit	8½	..
Dom. Manuf., p.	61	65
Dom. Wooll's. p.	4½	5½
Dunlop Tire, p.	22	23½
Easy Washing, p	8½	9½
Fed. Grain, pfd.	40	42½
Do., com.	2	2½
Goderich Elev.	9½	10
Guard. Realty, p	12½	..
Guelph Carp., p.	100½	102½
Do., com.	12½	..
Hayes Steel, c.	21	23
Do., pfd. ($10)	10½	11½
Hi'land Dairy, p.	72	76
Do., com.	2½●	..
Kingston Sh. un.	17½	20
Loblaw Inc. c.	11	11½
Morrison Br. un.	4½	6½
M'row Screw, p.	99	..
Mt. Royal H., p.	2½	3½
Neilson, Wm., c.	7½	..
Do., pfd.	104	..

	Bid	Ask
N. B. Tel., c.	12½	13½
N. Meth. Ldy. p.	63	67
Office Spec., p.	72	..
Ont. Tob., pfd.	20	23½
Paterson, Wm. p	104	105
Prov. Paper, pfd	105	..
Reliance Gr., p.	53	..
Rob'tson P. L., p	91	..
Rob. Cons. Cone	8	8⅜
Ruddy, E. L., p.	27½	30
Seal O Sac (Can)	4	5
Stand. Fuel, c.	1½	..
Do., pref.	54	57
Stedman Br., p.	56	..
Tor. Carpet, c.	18	22
Do., pfd.	53	55
Un. F. Co-op.	2½	2⅜
Un. Steel, A pf.	23	24
Viceroy, p. & rts●	22	25
West. Grain, pf.	8	10
West. Steel, c.	8½	9½
Weston Hold.	..	6½
Trusts & Loan Stocks:		
Brit. Mtge.	150	154
Com. Fin., c.	2⅜	3½
Guaranty Tr.	96	100
Guelph & O. $50	53	55½
Lambton Loan	30½	35
London & West.	38	40½
Sherbrooke Tr.	120	..
Sterling Trust	55	60
Traders Fin. B.C.	12	13½
Do., A pfd.	79	85
Trusts & Guar.	27½	28½
Waterloo Trust	98	..
Insurance Stocks:		
Brit. Amer.	56	..
Canada Life	450	475

	Bid	Ask
Confed. 30% pd.	145	152
Crown, fully pd.	260	..
Dominion Fire	135	..
D. of Can. Gen.	115	125
Empire, 25% pd.	..	6
Excelsior, 32% p	56	60
Federal, 25% pd	50	53
Great-West Life	225	235
Halifax Fire	21½	23
Imperial Life	290	305
Manufac. Life	215	225
Monarch 10% pd	22½	24
Sov. L., 25% pd.	13½	15½
Sun Life	340	380
Tor. General	5½	6
Wellington Fire.	58	62
Western Assce.	48½	50
Theatre Stocks:		
Allens Lond., p.	50	54
Do. St. Cath. p.	52½	56½
Do., Tor., p. c.	32	36
Mansf. Thea., p.	27	30
Para. Kitch., p.	51	54
Do., Oshawa, c	10½	12
Investment Trust Shs.:		
Can. Investors	6	6⅜
Deb. & Sec., pf.	64	..
Inv. Found. Unit	56½	..
Sec's. Hold., pf.	21	..
United Corp., A	23	24
Do., B	11	12
Power Issues:		
Can. W. N. Gas	23	..
Do., pfd.	99	101
Int. Util., 1.75 p	17½	20
Do., 3.50 pfd.	34	37½
Gt. Lakes Pr., p.	100	..
Mtl. Is. Pwr., p.	20	24
Nor. Ont. Pr., p.	94½	..

Unlisted Mines

Toronto, Nov. 21, 1939

	Bid	Ask
Addington	.04	.05
Albany R	.18	.20
Amorada	.04	.05
Amalga'd	.15½	.16½
Anoki	.13	.15
Argosy	.04	.04½
Area	.05⅜	.06½
Athona	.02⅜	.03½
Barb Lard	.02½	.03½
Beresford	.18	.19
Bounty	.23½	.25½
Brown C	.80	.90
Canada R.	.14	.16
Central M.	.03½	.03⅜
Cheminis	.04⅜	.05½
Cocheno'r	.69	.71
Coin Lake	.07	.07⅜
Crescent	.03½	.04
Crowshore	.05	.07
Delnite	1.00	1.10
Dayton	.02½	.04
Desants n	.18	.19
Dona Pat	.13½	.15½
Donwood	.03	.04
Doreva Q	.17½	.19
Dumico	..	.04½
Elmos	.06	.07
Faulken'm	..	.02
Franco	.30	.35
Frontier	.02½	.03½
Galore	.02	.03
Gate Pat.	.01	.02
Hallnor	7.75	8.25
Hiawa'ha	.40	.45
Hislop	.01½	.02
Hoyle new	.22	.24
Hugh PaP	.04	.05
Hutch Lke	.02½	.03
Jason	.38	.40
Keora	.03	.03½
Kaw Crow	.01	.02
Kenricia	.08	.10
Kewagama	.01⅜	.02½
Kiena	.10	.11
Kirk Gate	.01½	.02½
Lacoma	.01½	.02
Lake Duf	.43	.45
Lake Gen	.12½	.14½
Lardego	.02⅜	.03½
Magnet C	.66	.67
Magnet L	.14	.16
Martin Br	.03½	.04½
Margaret	.10	.11
Mata Cana	.04½	.05½
Mof Hal n	.02	.03
Mooshla	.05½	.06
Mosher	.10	.11
Mylamaqu	.01	.02
Nat Mal	.27	.28
Negus	.80	.90
New Aug	.26	.28
Ribago n	.02⅜	.03
Nickel O	.70	.80
Norbeau	.38	.42
Norlake	.01½	.02
North Am. Mol'm	..	.95
Oklend	.13	.14
O'Leary	.01⅜	.02½
Opemiska	.06	.08
Oriole	.01⅜	.02½
Orpit	.03½	.05½
Ossian	.01⅜	.02½
Pascalis	.25	.30
Pontiac n	.26	.28
Phoenix	.07	.08
Pontiac R (old)	.10	.12
Pelangio	.01½	.02½
Polaris	.41	.43
Private'r	.89	.92
Propri'y	1.75	1.80
Presdor	.02½	.03½
Queb Man	.08	.09
Rahn Lke	.38	.40
Rand Mal	.10	.10½
Red Lake	.02	.03
Rhyolite	.01½	.03
Rose Gold	.06½	..
Sachigo	6.50	7.00
Shenango	.05½	.06
Sheldon	.02½	.05
Siscoe Ex	.02	.03
Skynner	.03⅜	.04⅜
Smelter	.01	.01½
Spooner	.03½	.04½
Sunbeam	.10	.13
Springer	.09½	.10½
Thomson	.16	.19
Union Min	.05½	.06½
Vermilata	.23	.25
Walker Pt	.01	.02
Wells LL	.14	..
Winoga cum rts	.04	.05
Woco	.10	.12
West Red	.03	.03½
Y David'n	.23	.25

Montreal, Nov. 21, 1939

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Beaucourt	.07	.09	Dorval U	..	5.00	Plains P	.20	.30	Ribago N	.02½	.03
Cad Exp	.04½	.05½	Fontana	..	.04	Porc Lake	.02	.03	South M	..	.07
Cont Kirk	.05	.06	Landor	..	.11	Obalski	.04	.05	Sun Ray	.20	.25
Cournew	.28½	.30	L Rowan	.04½	.05½	Pan Can	.03½	.04½	Valdor M	.60	.70
Cuniptau	.02½	.03½	Mar McN	.02	.03	Routh'r C	..	.03	Warren'c	..	.05

Dividends Declared

	This payment	Date payable	Date of record
Aluminium	$4	Dec. 15	Nov. 24
Do., pref.	$1.50	Dec. 1	Nov. 15
Andian National	†$1	Dec. 1	Nov. 20
Do., extra	†50c	Dec. 1	Nov. 20
Anglo-Can. Tel., A	15c	Dec. 1	Nov. 15
Asbestos Corp.	15c	Dec. 31	Dec. 15
Do., bonus	35c	Dec. 31	Dec. 15
Buff. Ankerite	12½c	Jan. 2	Dec. 15
Bright, T. G.	7½c	Dec. 15	Nov. 30
Do., pref.	$1.50	Dec. 15	Nov. 30
Belding-Cort.	$1	Jan. 2	Dec. 15
Do., pref.	$1.75	Jan. 2	Dec. 15
Beattie Gold	5c	Dec. 7	Nov. 20
Bk. Can. Nationale	$2	Dec. 1	Nov. 15
Bk. of N. Scotia	$3	Jan. 2	Dec. 16
Bk. of Montreal	$2	Dec. 1	Oct. 31
Bk. of Toronto	$2.50	Dec. 1	Nov. 15
Can. Vinegars	30c	Dec. 1	Nov. 15
Can. W. & C., A	$1	Dec. 15	Nov. 30
Can. W. & C., p	$1.62½	Dec. 15	Nov. 30
Do., B	25c	Dec. 15	Nov. 30
Cosmos Imp., pref.	$1.25	Jan. 15	Dec. 30
Coniaurum Mines	6c	Dec. 1	Nov. 15
Can. Ind. Alcohol, A, B	15c	Nov. 30	Nov. 20
Can. Malartic	3c	Dec. 15	Nov. 28
Can. Wineries	15c	Dec. 12	Nov. 30
Can. Cottons	$1	Jan. 2	Dec. 15
Do., pref.	$1.50	Jan. 2	Dec. 15
Can. Dom. Sugar	37½c	Dec. 1	Nov. 15
Do., extra	25c	Dec. 1	Nov. 15
Celanese of Am.	50c	Dec. 1	Nov. 17
Do., (addit.)	§	Dec. 22	Nov. 17
Do., part. pf.	$3.50	Dec. 31	Dec. 15
Do., prior pfd.	$1.75	Jan. 1	Dec. 15
Cons. Std. Sec., 1 p.	37½c	Dec. 15	Nov. 30
Commoil	*1½c	Nov. 29	Nov. 18
Can. Ingersoll-R.	$2	Dec. 4	Nov. 15
Can. Int. Inv. Tr., p.	50c	Dec. 1	Nov. 15
Can. Perm. Mtge.	$2	Jan. 2	Dec. 15
Chart. Trust	$1	Jan. 2	Dec. 15
Do., extra	$1	Jan. 2	Dec. 15
Can. Bread, 1st pf.	$1.25	Jan. 2	Dec. 15
Do., B pref.	62½c	Jan. 2	Dec. 15
Do., arrears	37½c	Jan. 2	Dec. 15
Capital W. Cloth, p.	37c	Dec. 1	Nov. 20
Catelli Food	25c	Nov. 30	Nov. 20
Do., extra	25c	Nov. 30	Nov. 20
Do., pref.	37c	Nov. 30	Nov. 20
Canada Cement, p.	$1.25	Dec. 20	Nov. 30
Can. W. N. Gas, p.	$1.50	Dec. 1	Nov. 15
Can. West'ghouse	37½c	Jan. 2	Dec. 20
Cariboo Gold	4c	Jan. 2	Dec. 6
Do., bonus	2c	Jan. 2	Dec. 6
Crow's Nest Coal	$1.50	Dec. 23	Dec. 1
Dist. Seagram	55½c	Dec. 15	Dec. 1
Do., pref.	†$1.25	Feb. 1	Jan. 15
Dom. Envelope, 1 p.	$3.50	Dec. 1	Nov. 20
Do., arrears	$14	Dec. 1	Nov. 20
Dom. Foundries, pf.	$1.50	Dec. 1	Nov. 21
Dom. Coal, pfd.	38c	Jan. 2	Dec. 15
Dom. Ang. Inv., p.	$1.25	Dec. 1	Nov. 15
Easy Washing, p.	17½c	Nov. 15	Oct. 31
1st All Can. Tr. (1945)	9½c	Oct. 15	Oct. 15
Electrolux	20c.	Dec. 15	Nov. 15
Ford Motor, A, B,	25c	Dec. 16	Nov. 25
Gatineau Pwr.	20c	Dec. 30	Dec. 1
Do., extra	5c	Dec. 30	Dec. 1
Do., 5% pref.	$1.25	Jan. 1	Dec. 1
Do., 5½% pref.	$1.38	Jan. 1	Dec. 1
Granby Cons.	25c	Dec. 1	Nov. 15
Granville Oils	.00½	Nov. 10	Oct. 19
Ham. Un. Thea., p.	$1.50	Dec. 30	Nov. 30
Hollinger Cons.	5c	Dec. 2	Nov. 18
Do., extra	5c	Dec. 2	Nov. 18
Hart Battery	20c	Dec. 15	Nov. 30
Hallnor M.	18c	Dec. 1	Nov. 15
Howey Gold	2c	Dec. 1	Nov. 1
Hud. Bay Mining	$1	Dec. 11	Nov. 17
Imperial Oil	25c	Dec. 1	Nov. 17
Do., extra	12½c	Dec. 1	Nov. 17
Inter. Petroleum	75c	Dec. 1	Nov. 20
Int. Nickel, c.	†50c	Dec. 30	Dec. 1
Island Mtn. M.	7c.	Dec. 15	Dec. 1
Lake Shore M.	75c	Dec. 15	Dec. 1
Lava Cap G.	†4c	Dec. 20	Dec. 1
Louisiana Land	†5c	Dec. 15	Dec. 1
Lake of W. Mill, p	$1.75	Dec. 1	Nov. 15
Laura Secord	20c	Dec. 1	Nov. 15
Lamaque Gold	10c	Jan. 1	Dec. 8
Lang, John A	17½c	Jan. 2	Dec. 15
Loblaw Groc., A B	25c.	Dec. 1	Nov. 10
Do., extra	12½c	Dec. 1	Nov. 10
Loblaw, Inc.	20c	Dec. 1	Nov. 15
Little Long Lac	10c	Dec. 11	Nov. 28
McManus Pete., p.	30c	Jan. 3	Dec. 26
Do., com.	30c	Jan. 3	Dec. 26
McIntyre Porc.	50c	Dec. 1	Nov. 1
Do., extra	$1	Jan. 2	Nov. 1
Monarch Rylts.	1c	Dec. 4	Nov. 20
Macassa Mines	5c	Dec. 15	Nov. 30
Do., extra	5c	Dec. 15	Nov. 30
McK. Red. Lake	3c	Dec. 15	Dec. 1
Do., extra	2c	Dec. 15	Dec. 1
Montreal Loan	50c	Dec. 15	Nov. 30
McKin. Steel, p.	‡$1.75	Dec. 15	Nov. 30
Melchers, pref.	30c	Dec. 30	Dec. 15
Marcus Loew's, pf.	$1.75	Dec. 15	Dec. 2
Do., arrears	$1.75	Dec. 15	Dec. 2
Nat. Biscuit	40c	Dec. 15	Nov. 14
Do., pref.	$1.75	Nov. 29	Nov. 14
Nat. Grocers, pf.	37½c	Jan. 1	Dec. 15
N. Meth. Ldry. p.	$1.62½	Dec. 1	Nov. 24

Mining Dividends

		Close Nov. 20	Yield %
Beattie Gold	15c	1.08	13.8
Bralorne	80c+40c	11.00	*10.9
Buffalo Ankerite	75c	7.15	10.5
Bulolo Gold	$3	25.50	11.8
Can. Malartic	9c	.68	13.2
Cariboo Gold	16c+5½c	2.20	*9.7
Central Patricia	16c+5c	2.36	*8.8
Coniagas	25c	1.65	..
Coniaurum	16c	1.63	9.8
Cons. Smelters	$1+$1	49.00	*4.1
Dome Mines	$2	29.25	6.8
Falconbridge	30c	4.70	6.4
God's Lake	†5c	.61¼	..
Goldale	†2c	.19	..
Gunnar Gold	6c	.50	12
Hollinger	65c+45c	14.75	*7.4
Howey Gold	5c	.33	15.1
Hudson Bay	$1.75	33.25	5.3
Inter. Mining	40c	9.87	4.1
Inter. Nickel, com.	$2	48.00	4.2
Island Mountain	15c	.95	15.7
Kerr Lake	15c	.50	..
Kirkland Lake	8c+2c	1.36	*7.3
Kootenay Belle	16c+2c	.65	..
Lamaque Gold	40c+17c	6.85	*8.3
Lake Shore	$3.75	29.87	12.5
Lava Cap M.	11c	.85	..
Leitch	8c	.79	10.1
Little Long Lac	30c	3.20	9.4
Macassa	20c+7½c	4.35	*6.3
McGillivray Coal	3c	.23	..
McKenzie Red L.	12c+2c	1.31	10.6
McWatters	10c	.55	..
Moneta	12c	.90	13.3
McIntyre Porc.	$2+$1	54.50	*5.5
Nipissing	15c	1.35	11.1
Noranda	$4	76.50	5.2
North Empire	75c	9.50	7.9
O'Brien Gold	20c	1.51	13.2
Pamour Porc.	8c	1.99	..
Pato Cons.	10c	2.35	..
Paymaster	2c	.35	..
Perron Gold	16c+1c	1.95	*8.6
Pioneer, B.C.	40c	2.25	17.7
Pickle Crow	40c	4.30	9.3
Placer Develop.	$1.20	12.00	10
Premier	12c	1.45	8.3
Privateer Mine	20c+2c	.93	..
Powell Rouyn	†5c	1.93	..
Quebec Gold	†2c	.27	..
San Antonio	14c	1.89	7.4
Sheep Creek	16c+3c	1.17	*16.2
Silbak Prem.	16c	1.10	14.5
Siscoe	12c+1c	.89¾	*14.5
Sudbury Basin	5c	2.10	..
Sullivan Cons.	6c+1c	.80	*8.7
Sylvanite Gold	20c+5c	3.05	*8.2
Teck-Hughes	40c+3c	4.10	*10.4
Toburn	8c+8c	1.80	*8.9
Ventures	15c	4.70	3.1
Wright-Harg.	40c+30c	8.20	*8.5

*Yield including bonus. †Initial.

Dividends Declared (Cont'd)

	This payment	Date payable	Date of record
Noranda	$1	Dec. 15	Nov. 20
Nipissing M.	15c.	Dec. 11	Nov. 22
North. Empire M.	40c	Dec. 12	Nov. 24
N. S. Light Pr., p.	$1.50	Dec. 1	Nov. 14
Ogilvie Flour, pf.	$1.75	Dec. 1	Nov. 18
Paton Mfg.	50c	Dec. 15	Nov. 30
Do., pref.	$1.75	Dec. 15	Nov. 30
Provincial Bank	$1.50	Dec. 1	Nov. 15
Prairie Rylts.	2c	Dec. 4	Nov. 20
Pioneer Gold	10c	Jan. 2	Nov. 30
Reinhardt Brew.	10c	Dec. 1	Nov. 20
Rolland Pap., pref.	$1.50	Dec. 1	Nov. 15
Royal Bank	$2	Dec. 1	Oct. 31
Royal Can. Oils	1c	Nov. 23	Nov. 16
Royalite Oil	50c	Dec. 1	Nov. 17
Share Rylts.	1c	Nov. 29	Nov. 20
Siscoe Gold	3c	Dec. 15	Nov. 25
Do., extra	1c	Dec. 15	Nov. 25
Sec. Can. Int. Inv., p.	10c	Dec. 1	Nov. 15
Sher.-Williams, p.	$1.75	Jan. 2	Dec. 15
South. Am. Gold	10c	Nov. 28	Nov. 14
Stand. Steel, p	75c	Jan. 1	Dec. 15
Sylvanite G.	†5c	Dec. 30	Nov. 18
Sundance Rlty.	1c.	Oct. 31	Oct. 20
Silverwood's, pf.	‡20c	Dec. 1	Nov. 18
Stuart, D. A., pf.	20c	Dec. 1	Nov. 15
St. Law. Corp., A p.	‡$1	Dec. 15	Dec. 1
Supersilk H., pfd.	$2.50	Jan. 2	Dec. 15
Sunset Oils	*2½c	Dec. 15	Dec. 5
Sovereign Life	$1.25	Dec. 15	Dec. 1
Teck-Hughes	10c	Jan. 1	Dec. 8
Toburn Gold	2c	Nov. 22	Oct. 21
Do., extra	2c	Nov. 22	Oct. 21
Tor. Elevators, pf.	68c	Dec. 7	Nov. 23
Trans.-Can. Shs., A	0.222	Dec. 1	Coup. 13
Un. Amuse., A, B,	45c	Nov. 30	Nov. 15
Union Gas	20c	Dec. 15	Nov. 20
Walker-Good.	$1	Dec. 15	Nov. 24
Do., pref.	25c	Dec. 15	Nov. 24
W. Can. Hydro, p.	20c	Dec. 1	Nov. 20
Weston, Geo., c.	20c	Jan. 2	Dec. 15
Wilsil	25c	Jan. 2	Dec. 15
Wr.-Hargreaves	†10c	Jan. 2	Nov. 23
Do., extra	†5c	Jan. 2	Nov. 23
Do., interim	†10c	Jan. 15	Dec. 1

§At rate of 1 sh. for each 40 shs. held. *Interim. ‡On arrears. ‡Payable in U. S. funds.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
November 21, 1939

Public Utility Issues:	Int. Rate %	Due	Bid	Asked Nov. 21	Bid Nov. 14
†Assoc. Tel. & T.	5½	'55	83	87	83
Beauharnois P.	5	'73	99	103	99
B. C. Power ..	4½	'60	101	105	100½
B. C. Tel.	4½	'61	104	108	104
†Calgary Pwr. .	5	'60	103	107	102
Do.	5	'64	101	105	101
†Can. Nor. Pwr.	5	'53	105	109	105
*Dom. Gas & El.	6½	'45	98	102	98
Gatineau Pwr..	5	'49	102	106	101½
Do., A	3½	'69	97½	101½	98
Gt. Lakes Pwr.	4½	'56	101	105	100
*Int. Hydro-E. .	6	'44	87	91	87
‡Inter. Power ..	6	'55	97	..	97
Macl'n-Que. Pr.	4	'59	96½	100½	96½
Mtl. L. H. & P.	3½	'56	98½	102½	98½
Do.	3½	'73	94	98	94
†Mtl. Tramways	5	'41	96	100	96
†Do.	5	'55	70½	74½	72
Nat. Lt. & Pwr.	6	'49	98½	102½	98
N. S. Lt. Pr. .	4	'57	99	103	99
Ottawa H. & P.	4	'57	100	104	99½
Ottawa V. Pwr.	5	'59	101½	105½	101½
†Power Corp. ..	4½	'59	100	104	99½
Quebec Pwr. .	4	'62	101	105	100½
*Saguenay P., A	4½	'66	107	111	103
Do., B	4½	'66	104	...	103
Shaw. W. & Pr.	4	'61	100	104	99
Union Gas ...	4½	'50	102	106	101½
United Secs. ..	5½	'52	66	80	68
†Wpg. El., ser. A	4	'65	74½	78½	74½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	58½	62½	60
Acadia Sugar .	4½	'55	99	103	99
†Alta. Pa. Grain	6	.46	97	101	97
Atlantic Sugar	4	'51	99	103	99
B. A. Oil	4	'45			
†B. C. P. & Pap.	6	'50	75	79	76
*Brown Co.	5½	'46	48½	52½	48
Burns & Co. ..	5	'58	67	71	66
Canada Bread .	6	'41	105	109	105
Canada Cement	4½	'51	102	106	102
Can. Paper ...	4½	'52	98	102	98½
Can. Steamship	5	'57	90½	94½	90
Can. Canners .	4	'51	101½	105½	101½
*Can. Int. Paper	6	'49	98½	102½	98½
†Candn. Vickers	6	'47	71	75	72½
C. P. R.	3½	'51	86	90	86
Do.	4	'49	88½	92½	89
Do.	4½	'44	93	97	93
Do.	6	'42	100½	104½	101
†Consol. Paper	5½	'61	57	61	57½
Dom. Coal	4½	'52	100	104	100
‡Dom. Stl. & C.	6½	'55	110	114	110
Dom. Tar	4½	'51	101	105	101
†Donnacona P. .	4½	'56	78	82	79
Famous Players	4½	'51	99	103	99½
†Federal Grain .	6	'49	97½	101½	97
†Fraser Cos. ...	6	'50	97	101	97
Gen. Stl. Wares	4½	'52	100	104	100
*Great Lakes P.	5	'55	92½	96½	92
†Gypsum, Lime	5½	'48	99	103	99½
Ham. By-Pr. C.	5	'55	101	105	101½
Inter-City Bak.	5½	'48	101	105	101
*Inter. P., Nfld.	4½	'68	96	100	96
Lake St. J. P.	5½	'61	89	93	89
†Maple Leaf M.	3	'58	74½	78½	74½
Massey-Harris .	4½	'54	93	97	93
McColl-Fron. .	4½	'49	101½	105½	101½
McCormick's ..	4	'52	90	94	89
*M. & O. Paper	6	'45	43½	47½	43½
Nat. Grocers .	4	'47	101	...	100
N. S. Stl. & Co.	3½	'63	83½	87½	84
Price Bros.	5	'57	97	101	97
*Prov. Paper ..	5½	'47	102	106	102
Reliance Grain	4½	'52	93	97	94
†Restigouche Co.	6	'48	97	101	97
Rolland Paper	4½	'51	101	105	100
Simpsons Ltd..	4½	'51	99½	103½	99½
Smith, Howard	4½	'51	101	105	101
*Steel of Can. .	6	'40	109	113	109
*United Gas ...	5½	'48	102	106	102½
United Gr. Grs.	5	'48	97	101	97
†Western Grain	6	'49	47	51	48

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
‡Payable in Can. or U. K.
·Payable in U. S. only.

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 12th day of December next.

The chair will be taken at 11 o'clock a.m.

By order of the Board,
A. E. ARSCOTT,
General Manager.

DIVIDEND NOTICE

Hiram Walker-Gooderham & Worts Limited

DIVIDEND NO. 64

A quarterly dividend of 25c a share has been declared on the outstanding, no par value Cumulative Dividend Redeemable Preference Stock of this company, payable Friday, December 15, 1939 to shareholders of record at the close of business on Friday, November 24.

DIVIDEND NO. 65

A quarterly dividend of $1.00 a share has been declared on the outstanding no par value Common Stock of this Company, payable Friday, December 15, 1939 to shareholders of record at the close of business on Friday, November 24.

By Order of the Board.
FLETCHER RUARK,
Secretary.

Walkerville, Canada
November 10, 1939.

Lake Shore Mines Limited

(No Personal Liability)
DIVIDEND NO. 79

NOTICE is hereby given that a dividend of Seventy-five Cents per share, on the issued capital stock of the Company, will be paid on the fifteenth day of December, 1939, to shareholders of record at the close of business on the first day of December, 1939.

By order of the Board.
Kirkland Securities Limited,
Secretary.

Dated at Kirkland Lake, Ontario,
November 15th, 1939.

Canada Cement Company Limited

Preference Dividend No. 31

NOTICE is hereby given that a dividend of One Dollar and Twenty-five Cents ($1.25) per share on the Preference stock of this Company has been declared, payable on the 20th day of December next to Preference shareholders of record at the close of business November 30, 1939.

By Order of the Board,
G. A. RUSSELL,
Secretary.

Montreal, November 15, 1939.

MacKinnon Steel Corporation Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of One and Three-quarters per cent (1¾%) has been declared on the 7% Cumulative Sinking Fund Redeemable Preferred stock of MacKinnon Steel Corporation Limited, payable December 15th, 1939, to Shareholders of record on November 30th, 1939.

This is a payment on account of arrears of preferred dividend.

By Order of the Board of Directors.
J. G. SCORER,
Secretary.

Montreal, November 17th, 1939.

St. Lawrence Corporation Limited

Class "A" Stock Dividend Notice

NOTICE is hereby given that a dividend at the rate of One Dollar ($1.00) per share has been declared on the issued and outstanding shares of Class "A" 4% Cumulative Convertible Preferred Stock of the Company, payable 15th day of December, 1939, to Shareholders of record at the close of business on the 1st day of December, 1939; such dividend being in payment of the balance of 25c per share of the dividend (No. 8) which accrued on the 15th January, 1932, in payment of the dividend (No. 8) of 50c per share which accrued on the 15th April, 1932, and in payment, to the extent of 25c per share, of the dividend (No. 9) which accrued on the 15th July, 1932.

By Order of the Board,
L. A. TUCKER,
Secretary.

Montreal, P.Q.
November 16th, 1939.

War and Chemicals

(Continued from page 11)

tics, medicines, insecticides, perfumes, dyes and motor fuels. As one of the basic fields, it is here that science sees countless possibilities for the future.

Limestone and salt have a straight-line relationship with the glass, tanning and soap industry.

Salt, air and sulfur dioxide run down through hydrochloric (muriatic) acid and sulfuric acid to a vital place in every chemical industry with plain uses in the engraving, textile and dye industry.

Coke and limestone stem down through calcium carbide (remember the old bicycle lamps), through acetylene to produce a group of important solvents. Branching off and adding acetic acid, these things turn into motion picture film, plastics and blended with cellulose, non-inflammable textiles.

Calcium carbide in another industry is the basic material for the production of an important fertilizer; also for the manufacture of cyanide for the modern gold refining process.

Another family tree leads from nitrogen and hydrogen down past ammonia and carbon dioxide into another group of plastics, medicines, fertilizers, dyes and refrigerants and chemicals for speeding the curing and vulcanization of rubber.

Rayon and Cellophane trace their ancestry to coke, sulfur, caustic soda with wood pulp the base.

Leading chemical company in the Dominion field is Canadian Industries Limited, which is closely associated with Imperial Chemical Industries of Great Britain and E. I. du Pont de Nemours & Co. Inc., of United States.

The company operates the following groups and divisions.

Cellulose Products:
Cellophane—plant at Shawinigan.
Fabrikoid—plant at New Toronto.
Paint and Varnish—West Toronto, Montreal, Regina.
Plastics — Brownsburg, P.Q. (combs, tooth brushes, molding powders, etc.)

Chemical Group:
Alkali division—chlorine, caustic soda, etc.—plant, Shawinigan, Windsor and Cornwall.
Commercial acids—Hamilton.
Sulfuric acid—Copper Cliff.
Hydrogen peroxide—Shawinigan.
Mining and organic chemicals—dyestuffs, rubber and mining chemicals, rubber colors, "ethyl" compound for gasoline—Shawinigan.
Salt—all grades at Windsor.
Explosives—Beloeil, Que. Nobel, Ont., East Selkirk, Man. and James Island, B. C.
Safety fuse—Brownsburg, Que.
Ammunition—Brownsburg.
Fertilizer—New Westminster, B. C. Beloeil, Que., Hamilton, Chatham, Halifax, N. S.

The company has investments in and manages the following companies:

Canadian Safety Fuse Co. Ltd.
Canadian Hanson and Van Winkle Co.
Dunlop Tire and Rubber Goods Co. Ltd.
Aluminate Chemicals, Ltd.
Canadian Titanium Pigments, Ltd.

Shawinigan Chemicals Ltd. is a wholly owned subsidiary of The Shawinigan Water and Power Co. with plants at Shawinigan Falls. It is manufacturing calcium carbide, ethyl acetate, acetylene black, acetic acid, acetone, acetic anhydride, and other chemicals, also acid-proof stainless steels, heat resisting steels, special alloy castings.

In 1937 a new company was formed, Shawinigan Resins Corp. to manufacture vinyl resin products under patents owned by the parent company. The new company was jointly owned by Fiberloid Corp. of Springfield, U. S. A. and Shawinigan. The U. S. company has been taken over by the big and aggressive U. S. chemical firm of Monsanto. Hence Shawinigan is expecting important developments in the synthetic resins and plastic business.

With almost 800 plants in the chemicals and allied products group, it is obviously impossible to name them all. Most of them are privately owned, the ones named being about the only ones whose stock is held by the public at large.

Consolidated Mining and Smelting Co. Ltd., of Trail, B. C., somewhat unexpectedly turns up among the list of important fertilizer manufacturers. Sulfur fumes from the smelter are trapped, and sulfuric acid is manufactured. Some of it used by the company in its own refining process (zinc) the rest goes into various types of fertilizer. Canadian Industries Limited has worked out a similar by-product system at International Nickel's Copper Cliff smelter.

American Cyanamid Co., with plants at Niagara Falls, Ont., and in New Jersey, manufactures over 1,200 chemical products used principally in mining, heavy industry and agriculture. In recent years it has secured control of about 30 companies in related chemical activities.

Standard Chemical Co. Ltd. operates several plants in Ontario and Quebec, turning out alcohol, formaldehyde, acetone, acetic acid, acetate of lime, acetate of soda, charcoal, lime and other products.

Dominion Tar and Chemical Co. Ltd. of Montreal is engaged directly and through subsidiaries in the distillation of tar and its by-products, creosoting lumber and the recovery and sale of salt in Alberta, in addition to handling a full line of building materials.

Other important companies in the field are Electric Reduction Co. of Canada, Ltd., at Buckingham, P.Q., makers of phosphates, phosphorus and chlorates, Mallinckrodt Chemical Works of Canada, at Montreal, makers of bismuth salts, iodides, and a score of other medicinals. Merck and Co. Ltd., iodides, silver salts, mercury and bismuth salts; and Nichols Chemical Co. Ltd., at Sulphide, Ont., and Barnet, B.C., makers of sulfuric acid, nitric acid, nitre cake and sodium silicate.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the thirteenth day of December, 1939, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 26th October, 1939.

Canada's Royal Family of Hotels

Notice of All Interest Payments

Interest on all outstanding FIRST Mortgages having been provided for, on presentation and surrender of coupons due December 1st, 1939:

THE ROYAL CONNAUGHT HOTEL COMPANY LIMITED will pay interest due on its Second Mortgage Fifteen Year Sinking Fund Bonds.

THE PRINCE EDWARD HOTEL (WINDSOR) LIMITED will pay interest due on its Second Mortgage Debentures.

THE GENERAL BROCK HOTEL COMPANY LIMITED will pay interest due on its Second Mortgage Bonds.

CANADA'S ROYAL FAMILY OF HOTELS
VERNON G. CARDY,
President.

Hamilton, Ont., November 18th, 1939.

McMANUS PETROLEUMS, LIMITED

NOTICE OF DIVIDENDS
PREFERRED

A dividend of 30c per share for the half-yearly period ending December 31, 1939, (being at the rate of 6% per annum on the issuance price of said shares), has been declared upon the cumulative fully participating preference shares without any nominal or par value in the capital stock of the Company, payable on January 3rd, 1940, to shareholders of record Tuesday, December 26th, 1939.

COMMON

The Board of Directors has declared a dividend of 30c per share on the Common Stock of this Corporation for the year ending December 31st, 1938, payable January 3rd, 1940, to shareholders of record Monday, December 26th, 1938.

By order of the Board.
F. J. MOORE,
Secretary-Treasurer.

London, Ontario, November 17, 1939.

Siscoe Gold Mines Limited

NOTICE OF DIVIDEND No. 31 AND BONUS

Notice is hereby given that a Dividend of Three Cents (3c) per share and a Bonus of One Cent (1c) per share on the issued Capital Stock of Siscoe Gold Mines Limited has been declared payable on December 15th, 1939, to shareholders of record at the close of business on the 25th day of November, 1939.

By order of the Board.
H. E. GREEN,
Secretary-Treasurer.

Montreal, November 17th, 1939.

West Canadian Hydro Electric Corporation Limited

Preferred Dividend Notice
Notice of Closing of Register

Notice is hereby given that the regular Quarterly Dividend of Twenty Cents (20c) per share on the Cumulative Preference Shares of the Company has been declared for the three months ending November 30th, 1939. This Dividend is payable on December 1, 1939 to the Shareholders of record November 20th, 1939. Notice is further given that the Share Register will be closed for Transfers from November 21, 1939 to November 24, 1939, both dates inclusive.

BY ORDER OF THE BOARD,
W. T. HAYNES,
Secretary.

Vancouver, B.C.
November 18th, 1939.

Canadian Car Seeks Payment on War Claim

From Our Own Correspondent

MONTREAL.—Agencies of Canadian Car and Foundry Co., Lehigh Valley Railway and other award holders, in connection with the Black Tom and Kingsland explosions decision, have asked in the Federal District Court in Washington, dismissal of recent injunction application, which would restrain the Secretary of the Treasury from paying the award.

The award holders have moved to intervene as parties defendant with Secretary Hull and Secretary Morganthau. They have asked the Federal Court to instruct the Secretary of the Treasury to pay the award immediately.

Tellman Joins Board Of Montreal Coke Co.

From Our Own Correspondent

MONTREAL. — C. A. Tellman, vice-president and sales manager of LaSalle Coke Co., has been appointed a director of the Montreal Coke and Manufacturing Co. Mr. Tellman's appointment fills the vacancy created by the death of John D. Price.

DIVIDEND NOTICES

DIVIDEND NOTICE

The Cariboo Gold Quartz Mining Company Limited

(Non-Personal Liability)
DIVIDEND NO. 17

NOTICE IS HEREBY GIVEN that the quarterly dividend of four (4c) cents per share together with a bonus of two (2c) cents per share (one cent of which represents an accumulation from exchange premium) on the paid up capital stock of the Company, will be paid on January 2nd, 1940, to Shareholders of record on December 6th, 1939.

The Books of the Company will be closed for the transfer of shares from December 7th to December 9th, inclusive.

By Order of the Board.
J. R. V. DUNLOP,
Secretary-Treasurer.

Vancouver, B.C.
November 22nd, 1939.

Macassa Mines, Limited

(No Personal Liability)
DIVIDEND NO. 18.
EXTRA DIVIDEND NO. 4.

NOTICE is hereby given that a quarterly dividend of 5c per share and an extra dividend of 5c per share, making a total of 10c per share, has been declared on the capital stock of the company and will be payable on December 15th next to shareholders of record November 30th, 1939.

By order of the Board.
L. SOLIAGUE,
Secretary.

Toronto, November 21st, 1939.

Canadian Westinghouse Company, Limited

DIVIDEND NOTICE

Notice is hereby given that at a regular meeting of the Board of Directors of this Company, held November 21st, 1939, a dividend of thirty-seven and one-half cents (37½c) per share was declared upon the outstanding Capital Stock of the Company, payable January 1st, 1940, to Shareholders of record December 20th, 1939.

Cheques will be mailed to Shareholders.

By order of the Board,
W. E. SPRAGUE,
Secretary.

Hamilton, Canada,
November 21st, 1939.

Wheat Market Remains Open U.K. Orders Up

Ottawa Negotiations Clarify British Position on War Buying

EXPORT SPURT COMING

From Our Own Correspondent

OTTAWA.—The net result of the wheat negotiations between London and Ottawa, it is learned reliably, is that there will be no immediate change in our method of marketing wheat.

The Winnipeg market is to be kept open.

The British Cereal Authority has professed every satisfaction with the way in which the market has functioned since the outbreak of the war.

Earlier British requests that the market be closed, have not been pressed and it is a fair inference that Ottawa has convinced the British that an open market is not to be feared by them.

Situation Cleared

Proposals that Britain would buy a large block of wheat—reports placed it at upward of 100 million bushels—have not materialized and are believed most unlikely to do so, at least for the balance of this calendar year.

The discussions, however, have cleared up a great many points upon which doubt existed at Ottawa. The actual position in which Britain now finds herself, with respect to wheat, is now understood here. Without doubt, it is in this connection—rather than in the sale of any large block of wheat—that the recent negotiations have been of value to both sides.

Ever since the outbreak of the war, there has been a feeling at Ottawa and in western Canada that Britain was not buying Canadian wheat in the normal volume. And if Britain was buying, the wheat so purchased was not being cleared from the country. The pile-up of wheat in eastern Canada, the embargo against wheat movements to the east, recently lifted; and the sharp falling off in exports via Vancouver—all these have been indications of an absence of shipments to Britain.

Transport Shortage!

The explanation, however, has now been forthcoming. Britain has been buying wheat in substantial quantities but has been unable to transport it across the ocean. The chief reason, it now appears, is that at the outbreak of the war Britain had to move an expeditionary force to France, together with all the supplies and equipment involved in a first class military effort. To do this, most of the shipping in home waters and the north Atlantic had to be withdrawn from the ordinary trade routes and concentrated at English Channel ports. Until the huge quantities of materials were safely in France, shipping could not be spared for normal traffic and in consequence Britain has been unable to move much wheat from north Atlantic ports or from Vancouver.

On top of this temporary shortage of ocean tonnage, the United States repealed its neutrality act and forbade belligerent waters to United States vessels. All of these vessels, going to British ports, carried wheat, either as cargo or as ballast. Thus a further important source of supply for Britain was cut off.

Route Open Now!

Only in the past two weeks has Britain been able to begin to repair the shortages created by this lack of shipping. For two months, Britain's wheat trade was almost at a standstill. But wheat has once more begun to move and substantial quantities may yet be lifted from the St. Lawrence before the close of navigation. It will, however, be impossible to make good the loss sustained during the recent tie-up, before the close of navigation and it now seems certain that large quantities of wheat will have to be moved to winter ports by rail.

It is not expected that Britain will be able to divert ships to the longer hauls and draw to any extent upon the wheat supplies of Australia and Argentine. A certain quantity of these wheat will reach Britain as ballast in ships carrying essential cargo like meat and wool, butter and cheese, but in the main Britain will now rely upon Canada for wheat.

See Neutral Buying!

More than that, Britain is straining every effort, and not without success, to charter neutral tonnage. To the extent that neutral tonnage is chartered, the neutral countries will possess fewer ships to bring in their food supplies and they, in turn, will have to use the ships they retain to the greatest possible advantage. This, also, will mean that they will draw largely from Canada—this country being the most accessible source of supply.

With respect to Vancouver, it is apparent that Britain is finding it impossible to import timber from either Russia or Finland and for the duration of the war will have to depend chiefly upon British Columbia. Therefore, practically all of the British tonnage sent to Vancouver will haul timber. The wheat movement from that port will be chiefly in the form of ballast for timber cargoes.

Canada Permanent Mortgage Corporation

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

TUESDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1939.

By order of the Board.
Walter F. Watkins,
Secretary.
Toronto, November 15th, 1939.

Week in Wheat

Grain Turnover Heavy But Prices Hold Steady

Ups and Downs in Quotations Nominal, But Interest in Market Revived as Transactions Reach Large Proportions

From Our Own Correspondent

WINNIPEG.—Although price fluctuations have been hardly more than nominal, the Winnipeg wheat market has become interesting again during the past two weeks. Tens of millions of bushels have been changing hands, as exporters and forwarders have acquired cash wheat for movement across the lakes before freeze up.

The heavy transshipment upon which such purchases are based really began in earnest last week end with the loading of three and a half million bushels of wheat at the head of the lakes, and it promises to continue, with the loading of scores of lake vessels, until navigation is closed.

With Eastern Canada elevators largely filled such wheat is designated for winter storage at Buffalo, Albany, New York, Boston, Portland, and various other lake and ocean ports, or to remain on vessels during a considerable part of the winter. In spite of earlier hopes it is obvious that the transatlantic movement of wheat from St. Lawrence ports before winter sets in cannot be very great. But certainly wheat will be available for shipment from every North Atlantic port just as rapidly as ships are available to carry it across the Atlantic.

* * *

Mainly Government Wheat

The Canadian Government and the British Government have been the principals behind a great bulk of these transactions. The Canadian Government, through the Wheat Board, was the owner of most of the wheat at and west of Port Arthur and Fort William. To the extent that exporters are moving wheat forward, or buying it to move forward, it is the Wheat Board mainly which has been turning wheat into cash, to the extent of many millions of dollars. And to a very large extent, it is assumed, it is agencies acting for the British Government which have been acquiring futures in the Winnipeg market, against the sale of which the handlers are holding wheat in the east. In addition there is a good deal of wheat definitely booked for neutral countries, more particularly Belgium and Holland, while Canadian millers are acquiring large stocks of wheat in eastern positions against their winter requirements.

* * *

British Mixes

How rapidly the British authorities count on moving wheat overseas, and to what extent Canadian wheat is destined to replace those which have lately formed a large part of the milling mix in Great Britain is unknown. To some extent that must depend upon the Admiralty, and the freedom with which freighters will be allowed to move from North Atlantic ports. To a considerable extent it must depend upon the authorities controlling the allocation of shipping, and the degree to which it is thought essential to assign ships to carriage of supplies from this continent, rather than from other sources. But it looks as if heavy overseas shipments are due before long.

All this activity is putting the market in a healthier technical position. The Canadian Wheat Board is parting with a great deal of wheat, and although its holdings still constitute the preponderating factor in the market, the margin of importance is being reduced. While much of the wheat in eastern positions is presumably definitely booked, much of it also is in a merchandising position.

* * *

Relaxation Exchange Control

Another development tending to improve the tone of the market is a relaxation of exchange regulations announced by the Exchange Control Board. From the start of the regulation of exchange it was evidently the intention of the authorities not to interfere with the functioning of the market any more than was necessary. The fact was recognized that spreading transactions between Winnipeg and Chicago, and hedging transactions against wheat en route through or stored in the United States are normal.

Permission was given for the purchase of United States funds for the closing out of transactions covering actual spreads, or actual hedging transactions, when initiated from the United States. But the fact that it was necessary to prove in each case that such transactions were within the scope of the regulations, made United States firms very reluctant to send any funds into the Canadian market, for fear that something would happen to prevent them recovering them again.

Now it is announced that margins in the Winnipeg market have been deposited in United States funds, such funds may be obtained when transactions are closed out, including not only recovery of original margin, but also any profits derived, and it is not necessary to establish that transactions were made by principals and not by agents. This may reasonably be expected to bring about a greater freedom in undertaking business, and a tendency for the Canadian market to reflect such strength as develops south of the line.

* * *

Rail Embargo Off

As a result of rapid clearances in prospect from the head of the lakes, the railways have removed the embargo on shipments from the country. Cars are consequently being supplied to all stations where relief is necessary in order to provide space for farmers' deliveries.

The actual need for such immediate relief may prove to be somewhat less than had been supposed. Farmers who have provided storage on their farms for wheat as a matter of necessity, are showing an inclination to hang on until price movements are more definite.

Condition of Foreign Crops Will Soon Be Price Factor

From Our Own Correspondent

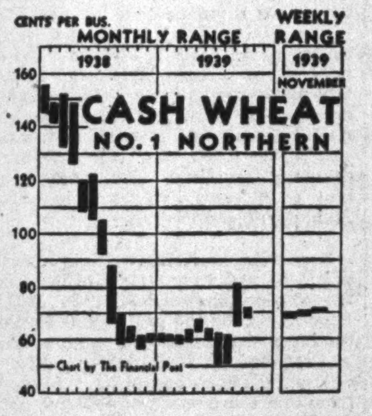
WINNIPEG. — The poor outlook for the United States winter wheat crop becomes of greater interest in Canada. It may be that the Chicago market has discounted that condition sufficiently for the present, but there is a reasonable chance of some considerable upward movement there in the spring when the situation is fully realized.

That will especially be the case if the winter has seen a large transatlantic movement of Canadian wheat, and if the weight of supplies in this country does not seem quite so alarming in the United States.

Even now American observers feel that Chicago prices are being held in check by possibility of imports from Canada over a 42 cent per bushel duty, if spreads between prices in the two countries should widen only slightly.

Both Argentina and Australia have in prospect reasonably good crops, and wheat from those countries will presumably continue to be offered at low prices, at least for some time. The effect of that on Canadian prices will depend on the extent to which shipping can be found for cargoes destined to Europe, and also on ocean freight rates. An increase in ocean shipping costs would widen the competitive advantage enjoyed by Canadian wheat as compared with wheat from the southern hemisphere.

Wheat Prices



	For Week Nov. 21 High	For Week Nov. 21 Low	Prev. Week High	Prev. Week Low
1 Hard	.70⅞	.70⅜	.70⅝	.69¼
1 Northern	.70⅞	.70⅜	.70⅝	.69¼
2 Northern	.68⅞	.68⅜	.68⅞	.67½
3 Northern	.68¼	.67¼	.68⅜	.66⅝
4 Northern	.66⅜	.65½	.66⅛	.64½
5 Wheat	.61⅞	.61⅜	.61⅝	.60¼
6 Wheat	.56⅞	.56⅜	.56⅝	.55¼
Feed Wheat	.55⅞	.55⅜	.55⅝	.54¼

Winnipeg Grain Futures

Week to Nov. 21, 1939

Crop year from Aug. 1, 1939 High	Low		Open Nov. 15	High for week	Low for week	Close Nov. 21	Close year ago
		Wheat					
.85¾	.51⅝	Nov.	.....	.71⅛	.70⅝	.70½	.58¾
.85	.51½	Dec.	.70¾	.71⅛	.70¼	.70½	.57⅞
.88	.54⅝	May	.75¼	.75¾	.75	.75¼	.60¾
.77⅞	.76⅛	July	.77	.77¼	.76⅝	.76⅝	.61½
		Oats					
.40	.30¼	Nov.	.....	.32¼	.31½	.32¼	.....
.41	.26⅛	Dec.	.32⅛	.32⅝	.31⅝	.32⅛	.27⅛
.45¾	.27½	May	.33¼	.33⅞	.33⅛	.33⅝	.27⅞
.33¾	.32	July	.....	.33¾	.33⅛	.33½	.27⅝
		Barley					
.53	.42	Nov.	.....	.42¾	.42¼	.42¼	.....
.49⅝	.32⅝	Dec.	.42⅛	.42⅝	.41⅛	.41⅛	.35
.51⅝	.33⅝	May	.44⅛	.44⅝	.43⅞	.44⅛	.35⅞
.44⅛	.44	July	.....	.44½	.44	.44	.....
		Flax					
1.75⅛	1.54	Nov.	1.54¼	1.56	1.54	1.56	1.37
1.76	1.23¾	Dec.	1.54½	1.56	1.54	1.56	1.37
1.81	1.49	May	1.59	1.60½	1.58½	1.60¼	1.36
		Rye					
.62½	.52	Nov.	.....	.56⅝	.55⅝	.55¾	.....
.61	.37½	Dec.	.55½	.56⅛	.55⅝	.55⅝	.39⅛
.65	.40	May	.58⅝	.59	.58⅛	.58¼	.40⅛
.60¾	[illegible]	July	.....	.60⅝	.58	.58	.....

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Treasurer: R. R. HUTCHISON

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Note—These elevators are also distributing points for all Purity products.

Western Canada Flour Mills Co. Limited
Head Office, Toronto, Canada — Branches from Coast to Coast
Mills at Goderich, Winnipeg, Calgary

Montreal Broker Firms Elect Office Managers

From Our Own Correspondent

MONTREAL. — A. Bentley, of O'Brien and Williams, has been elected president of the Stockbrokers' Office Managers' Association. This organization is comprised of member firms of the Montreal Stock Exchange. Others elected to the committee for the coming year were C. Larock, of Thomson, Mathewson & Co., J. G. Pearson, of Oswald and Drinkwater, A. G. Price, of Marler & Co., and R. C. Lumsden, of Hansons & Macaulay.

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G. M. HUTT, Asst. Development Commissioner — WINNIPEG — R. J. PRITTIE, Industrial Commissioner
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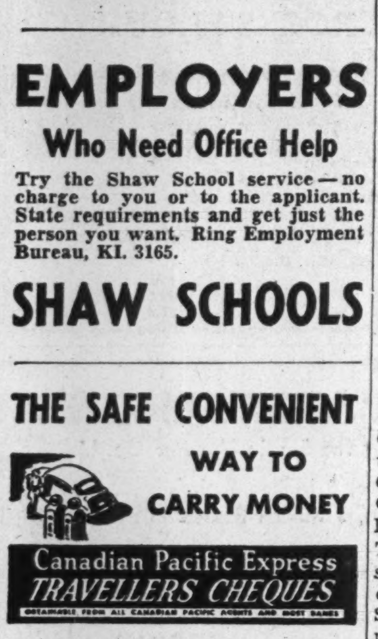

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Week in Mining

Canadian Mine Stocks Lead List in Popularity

Nickel and Noranda Are Favored Over All Other Issues in Investment Selections of Entrants in Post's Prize Contest

Canadian mining stocks form the largest single stock group in the 120 entries submitted in The Financial Post investment contest. The mining stocks lead the entire list in popularity and in the list of 10 most popular stocks there are three mining stocks. Altogether 15 Canadian mine stocks find a place in the "most popular" list.

This is a natural tribute to the wealth and maturity of the Canadian mining industry. Many would like to see more mines having a place in these lists and many will disagree with selections made, omissions permitted. But it is difference of opinion that makes a stock market and it will be interesting to review a year or so hence how well these mining stocks fared.

"No Sense in Bill 5"

Hon. Edgar Rochette, K.C., Minister of Mines and Labor in the new Quebec province cabinet, is quoted as declaring: "We shall certainly seek to abrogate Bill No. 5 and we shall certainly co-operate with the mines." The new Prime Minister, Adelard Godbout, sounds in a mood to back up that determination. He says, "There is no sense in this Bill No. 5. It has done practically nothing but kill prospecting. I believe that trying to regulate means losing control of everything."

Bill 5 was the concoction of the Duplessis Government and ruled that all mining companies operating in Quebec must have a Quebec charter, secured by Quebec legal firms. The avowed aim was to stimulate Quebec mining by Quebec interests. The result, it appears, didn't work out that way, and the Bill was a constant irritation to Canadian mining interests.

* * *

Rhodes Scholar

Mr. Rochette, the new mines minister, is a Rhodes scholar, attending Oxford 1914-17, and later studied at the famous old French university, Grenoble. A prominent barrister of Quebec city, he was Minister of Labor, Game and Fisheries in the 1936 Taschereau administration, but resigned in five months. He was elected for the riding of Charlevoix-Saguenay by acclamation in the recent poll.

* * *

Merger Mooted

Apparently directors of Dome Mines plan an exchange of shares to secure outright ownership of Sigma Mines in which 600,000 of one million issued shares are already held. While all Dome's shares are issued, 53,332 are held in trust for the company's benefit and these can be used to implement the proposed deal.

Based on the respective market value of Dome and Sigma shares, the 53,332 Dome shares would hardly seem a great enough consideration for purchase of 400,000 Sigma shares, so an increase in Dome capitalization may be necessary if the deal is to be put through.

* * *

Sacred Ward

In his address to the annual meeting of the Manitoba Chamber of Mines, George Bateman, of the Ontario Mining Association, reveals that in Great War I some of the sages at Ottawa were discussing whether or not it would be better to close down the gold mining industry entirely and make more men available for other "essential" industry. This war, Ottawa has pulled a bad boner with its excess profits tax so far as it relates to mining, but beyond that, gold is the very sacred ward of every sensible man in Ottawa today.

* * *

Geared Up Now

Using the experience of the past war as a guide, Mr. Bateman suggested that "we may expect to see a substantial increase in the production of metals."

"Mining does not have to be geared up for war effort," he said. "It is already in that position with the latest equipment and methods. Both mechanically and technically, I believe that the mining industry as a whole is in a higher state of efficiency than any other industry in Canada."

* * *

Winter Flying

Though winter plane service to the northern mines has not commenced from Winnipeg, and probably will not for some days unless there is a noticeable change in the weather, planes flying out of The Pas are on winter schedule. North of 53 ice has been forming for some weeks, with some heavy snowfalls. Though ice has formed on some of the smaller lakes, it is not yet safe for regular flying. One emergency flight was made by Roy Brown, veteran Wings pilot, to San Antonio. He took off on wheels from the Royal Air Force field at Lac du Bonnet, landed with wheels on the ice at Rice lake and then flew back to an earth landing again.

Lateral Work at Yama Betters Drilling Values

Drifting and crosscutting values obtained on the 250-ft. level of Yama Gold Mines have so far run approximately 30% better than the drill intersections in the same areas, Dr. Harold G. Way, consulting geologist, informs The Financial Post. To date approximately 720 ft. of lateral work has been completed, about 70% of which is believed to have commercial importance.

Diamond drilling carried out prior to underground work indicated eight possible ore zones striking in an east-west direction, extending from A zone in the north to the G zone in the south. No drilling has yet been done beyond the limits of these zones.

The north crosscut is now out 220 ft. from the shaft at the 250-ft. level and has encountered the BC and B zones as well as a previously uncorrelated zone. The A zone farther north should be encountered by Nov. 25.

So far 78 ft. of drifting has been completed on the BC zone of which 55 ft. is stated to be in ore averaging $8 cut value across 4 ft. In the west drift, a slight fault was encountered and mineralization is being traced by slashing north to explore a diamond drill intersection of $36.25 across 4 ft. The east drift is approximately 25 ft. long and a test hole in the north wall at the end of the drift shows 3 ft. running 70 cents and 3 ft. averaging $21.70 with a section 20 inches wide in the face averaging $4.90.

The B zone, next to the north, is in process of being opened up with 15 ft. of drifting completed east and west. Car samples run $6 to $7. Just north of the B zone, a main fault, previously recognized, was encountered and heavy mineralization, repeated on the north side, shows a strong possibility a major drag-folding effect is prevalent. A true width of 23 ft. showing in the crosscut has given "very encouraging" values. Present north face is in a basic dyke that parallels the A zone which should be reached by the end of the week. Diamond drilling at the 250-ft. level indicated a grade of $15.50 across 4 ft. in the A zone for a length of 135 ft. in two drill holes.

Work South of Shaft

The south crosscut has been pushed out 242 ft. from the shaft; has encountered the C and D zones; should encounter the E ore body by Nov. 25, and will continue south across the F, FS and G zones.

The C zone, first to the south of the shaft, has been drifted east and west for a length of 202 ft. A length of 125 ft. included, in the west drift has a cut average value of approximately $7 across drift width. Including low grade sections between shoots, a greater length has a cut average of $6.10 across 60.4 inches. Three drill holes showing intersections of $5.95 across 52 inches, $5.25 across 66 inches and $5.60 across 41 inches have been checked in this length. The $5.60 across 41 inches hole had drift values of $8.05 across 39 inches and $10.50 across 3 ft. immediately on either side of it. A drill hole 30 ft. ahead of the face runs $10.50 across 3 ft. and other drill intersections to the west show the zone indicated for an additional 300 ft.

From diamond drilling, the east portion of the D zone was not expected to make ore but it was planned to crosscut south from the C west drift to explore drill intersections of $8.93 across 15 ft., $4.58 across 7 ft. 1 inch and $7.87 across 12 ft. 9 inches represented by a 110-ft. length. Where encountered in the crosscut, however, the D zone gave $9.10 across 42 inches on the east wall and $11.55 across 37 inches on the west wall. Drifting is in progress east and west on the occurrence and successive rounds sampled to date have shown $5.60 across 50 inches and $5.60 across 58 inches with both faces strong.

Mining Meet Talks Of War

Position of Industry Discussed By Western Group

From Our Own Correspondent

VANCOUVER. — War problems and their relationship to Canada's mining industry were the theme of this year's annual meeting of the western division, Canadian Institute of Mining & Metallurgy.

Several speakers, including S. G. Blaylock, president and managing director of Consolidated Mining & Smelting Co.; George C. Bateman, secretary of the Ontario Mining Association; and B. C. Deputy Mines Minister John F. Walker, emphasized the increased potentiality of Canadian mines as contributors to the Empire's wartime economic might.

Mr. Bateman told the convention that mining was probably better organized than any other industry in Canada to meet the shock of war. He asked that labor should not "prostitute its fine contribution to the war effort by taking advantage of war conditions to make unreasonable demands."

Keep Down Costs

Mr. Blaylock stressed the importance of maintaining the nation's cash reserves and of preventing soaring costs of production.

Smelters' president said that, while he might be suspected of having ulterior motives he hoped that wages would not be increased if other costs could be controlled. The last war proved above all other things that general wage advances were followed by higher living costs, resulting in higher costs of production, less turnover and consequent unemployment with little, if any, improvement in the condition of those still employed.

Mr. Blaylock said he was confident that labor would remain loyal to the mining industry and the country, but that "undoubtedly there would be more agitation from outside by people professing to be friends of democracy while actually just the opposite."

Upper Canada Net Is 4.8c A Share

Half $150,000 Loan is Repaid — Financial Position Sound

A net profit of $142,591 equal to 4.8 cents a share was realized by Upper Canada Mines from commencement of production at the leased mill of Morris Kirkland Gold Mines on Oct. 28, 1938, to Sept. 30, 1939. Of this profit, $122,959 was realized in the five months ended Sept. 30, 1939. Milling in the company's own mill started Oct. 5, 1939.

Balance sheet at Sept. 30, 1939, shows current assets of $248,822 against current liabilities of $141,836. A loan of $152,860, including accrued interest, is shown as a deferred liability. Since the statement was drawn up half this loan has been repaid.

Ore has been opened up in three zones the H. M and Q. Back sampling has returned ore lengths as follows:

Level:	Length ft.	Width ft.	Value $
375-ft.	451.5	5.9	14.10
500-ft.	439.0	6.1	15.05

The 250-ft. level has not been back-sampled but a length of 440 ft. has so far been stoped. Ore lengths given include nothing for the Q zone opened only on the 500-ft. level.

Production up to Sept. 30, 1939, was $533,199 from 39,930 tons of ore, an average recovery of $13.35 per ton.

Week in Oils

Canada's Xmas Present May be New Oil Field

Jumping Pound Test Looking Very Promising—Three Others Nearing Completion—Bank Helps Finance Drilling New Well

From Our Own Correspondent

CALGARY.—Every geologist who has studied geological conditions throughout Alberta has declared that other major oil fields, equal to or even greater than Turner Valley, are almost certain to be discovered in the province. Their belief now seems close to fulfillment.

In the Alberta foothills during the next three months will be completed drill tests on four structures comparable in size, in general geology, and in depth, with Turner Valley.

First foothills "wildcat" completion will be the Brown Consolidated test at Jumping Pound, 25 miles west of Calgary. The rotary bit, now at 6,583 ft., seems to have confirmed geologists' opinions, the normal sequence of formations, without undue faulting, having been drilled through. The grit bed was entered at 4,260 ft., the Dalhousie sand 6,285 ft., and the Brown sand at 6,440 ft. The Madison lime, say geologists, may be topped in just another 100 ft. The grinding bit may present a second oil field as a Christmas gift to the industry.

Others in Soon

Following Jumping Pound are three other Foothills' tests, where drills have reached approximately the same point in the formation. The three are National Petroleums' Waite Valley test, Grease Creek Petroleums' and the Northwest Company's joint test in Grease Creek, and Home Oil's Brazeau test.

National Waite Valley, testing a large structure just west of North Turner Valley, is now drilling below 5,500 feet with the limestone expected around 6,500 feet.

The Grease Creek test, 40 miles northwest of Calgary, is now below 5,520 feet; the Madison lime is expected above 7,000 feet.

Home Brazeau, testing a structure 40 miles long, some 100 miles northwest of Calgary, has the hole now bottomed at 6,675 feet with a heavy gas flow. The crew is preparing foundations for a switch from cable to the modern rotary equipment. The lime is expected above 8,000 ft.

* * *

Dividends Climb

Alberta oil company dividends for 1939 soared to $2,243,270 this week with the announcement of distributions by four companies totalling $438,244. Other dividends are likely to be announced before the year-end and the 1939 dividend record will be well above the 1938 total of $2,228,707.

This week's declarations were Monarch Royalties, one cent per share, or total distribution of $12,500; Prairie Royalties, two cents a share, $25,000; Sunset Oils, 2½ cents per share, $42,000 and Royalite, 50 cents a share, $358,744.

The bonus of 25 cents a share, paid in all previous semi-annual distributions since December, 1935, is not provided with the new Royalite payment. This, according to Company Secretary T. E. Burns, is omitted because of the sharp increase in capital expenditure undertaken by Royalite this year, increased taxation, and decreased pipe-line revenue. Royalite now has five rotary rigs in operation, compared with only four in 1938.

* * *

Activity Increases

Turner Valley drilling activity continues to increase, with four more well locations being announced in the past week. These bring total of new wells going to spud to 14. Eighteen wells are at present drilling and three other partly completed wells, now idle, are preparing to resume.

New locations announced were Calmont Northwest No. 1, in lsd 3 18-19-2w5 Foothills No. 6, lsd 5 27-20-3w5; East Crest No. 6, lsd 16 6-19-2w5; and Pacific Pete No. 5, lsd 5 7-19-2w5.

Calmont-Northwest is the first of seven to be drilled on Central Turner Valley acreage of Calmont Oils Ltd. by the Northwest Company, an Imperial Oil subsidiary. Northwest is to recover drill costs from first production, and thereafter will share net revenue evenly with Calmont. Acreage covered by agreement includes the south half of section 18-19-2w5 and the southeast quarter of section 36-19-3w5. Crown royalty of 10% is payable on the wells.

The Foothills No. 6 well, like the previous Foothills No. 5, will be drilled by the Royalite Oil Co. for Foothills Oil & Gas Co. Royalite will recover drill costs from first production and then share net revenue evenly with Foothills. Only gross royalty payable on the two Foothills wells is 12½% to the Canadian Pacific Railway.

* * *

Backed by Bank

Believed the first drilling venture in Alberta to be financed in part by a loan from a Canadian chartered bank, Extension Oil No. 3 has been spudded in with heavy-duty rotary rig last week. Location is in lsd 13 17-18-2w5, offsetting the big Extension 1 well in South Turner Valley. Drilling is financed in part by a loan of up to $100,000 from the Royal Bank, loan to be repaid after completion of the well from 50% of net revenue from Extension Nos. 1 and 2 wells and all of any net revenue from the No. 3 well. This, it is understood, marks the first time in Alberta oil history that a chartered bank has considered producing oil wells and prospects of production at a new location sufficient security for a loan to finance drilling. Oilmen regard it as an important step forward for the industry.

Mining Concentrates

Arntfield Gold Mines is giving shareholders of record November 15, right to subscribe for all or any part of 200,000 shares at 10 cents a share. In the event the offer is oversubscribed, directors may increase the amount to 300,000 shares. If subscriptions exceed 300,000 shares, stock will be pro-rated. Funds are to be used to drill for the extension of the Francoeur ore. Rights expire November 30.

* * *

Albany River Gold Mines is dewatering its workings preparatory to a new programme of underground work. The long crosscut from the 750-foot level of Pickle Crow Gold Mines is now nearing the area where surface drilling is stated to have given excellent values on the Pickle Crow side of the Albany River zone. The crosscut is about 4,000 feet away from the Albany River workings.

* * *

Buffalo Ankerite Gold Mines has halved its dividend rate by declaring a dividend of 12½ cents per share payable Jan. 2, 1940, to shareholders of record Dec. 15, 1939. Ordinarily a regular quarterly dividend of 25 cents per share would have been paid on Nov. 15, 1939, but action was deferred at the October dividend meeting. Dividends are now at 50 cents per share per annum payable quarterly.

* * *

Bankfield Consolidated had a net profit of approximately $79,360 for the 10 months ended Sept. 30, 1939. Production for the period was $494,970 from 40,256 tons of ore, an average recovery of $12.29 per ton. After deducting non-operating charges from operating profit of $208,040, net profit was as given above. On the 1,025-foot level, an ore shoot has been opened up for 200 feet averaging 0.25 oz. gold per ton across an average width of nearly 12 feet. It is thought that this showing represents new ore as it is closer to No. 1 shaft than any of the stopes on the upper levels. Stoping is under way on the 900-foot level. Operations were stopped for the time being on the 750-foot level after the taking down of backs showed low grade.

* * *

Bulolo Gold Dredging has informed the Montreal Stock Exchange that due to certain war regulations, declaration of the company's usual dividend has been temporarily delayed, but that it will be declared immediately the difficulty has been overcome. Production for the five months ended Oct. 31, 1939, amounted to $2,533,000 in United States funds. The No. 8 dredge commenced operating on November 7.

* * *

Canagau Mines optioned 600,000 shares to Walter Waterston on November 1, as follows: Blocks of 200,000 shares at 5, 7½ and 10 cents per share to be taken down 100,000 shares monthly. Authorized capital is 3,000,000 shares of which 1,567,169 have been issued.

* * *

Hiawatha Gold Mines is now concentrating work on preparation of stopes on the second level for the supplying of ore to the test mill which is now in operation. The management plans to concentrate on the high-grade showings disclosed on the first and second levels.

* * *

Kelrowe Gold Mines has started shaft sinking at its property located near the Ross mine of Hollinger Consolidated, in Hislop twp., Porcupine area. Plans call for opening two levels. Little crosscutting is necessary at each level to reach the ore body. In "A" area, drilling indicated: a length of 300 feet, to 200 feet depth, averaging $12.22 across 8½ feet; a length of 250 feet averaging $5.83 across 8½ feet; and 50 feet running $3.19. In "B" area, 250 feet averaged $22.30 over five feet.

* * *

Lake Shore Mines has reduced its annual dividend rate from $4 to $3 per share per annum with declaration of a quarterly dividend of 75 cents per share, payable December 15, to shareholders of record December 1.

* * *

Lava Cap Gold Mining Corp. has declared a dividend of four cents per share payable in United States funds on December 20, to shareholders of record December 1.

* * *

Laura Gold Mines, four miles northwest of Cranberry Portage, is shipping 200 tons of ore to the Hudson Bay Mining and Smelting plant at Flin Flon, according to Peter Stewart, secretary, in charge of operations. Considerable diamond drilling was done the past summer, together with trenching and stripping. Sampling gave favorable assays and it is now planned to test by bulk shipments. Should the 200 tons shipped to Flin Flon stand up to expectations, Mr. Stewart is confident the property will make at least a small gold mine. The Laura, which adjoins Kelsey Gold, is favorably situated so far as rail and water transportation is concerned. Present mining operations are taking place only 400 feet from the railway.

* * *

Malartic Gold Fields has informed the Toronto Stock Exchange that November 16 option installment on 42,000 shares at $1 a share under the agreement with Nesbitt, Thomson & Co. has been extended to April 16, 1940, and all subsequent installments have been extended for a similar period.

* * *

Naybob Gold Mines advises that October 1 installment on 150,000 shares at 15 cents a share has been received from Ewart R. Angus. Balance of agreement comprises option on 300,000 shares at 20 cents and 300,000 shares at 30 cents, exercisable by Jan. 15 and April 1, 1940, respectively. Issued capital is now 3,920,309 shares. The sum of $25,000 has been paid off the principal of a mortgage held by Mr. Angus, leaving a balance of $25,000 with interest at 6% payable by April 1, 1940.

* * *

Pioneer Gold Mines has declared its regular quarterly dividend of 10 cents a share, payable Jan. 2, 1940, to shareholders of record Nov. 30, 1939; ex-dividend November 29. At last report the strike situation at the property remained unchanged. After considerable work at the Cariboo Amelia property, Camp McKinney, B.C., it is stated the company has decided to drop its option. Development is being continued at the property at Musketeer Mines, at Bear River, Vancouver Island, B.C.

* * *

Siscoe Gold Mines has declared an extra dividend of one cent a share along with the regular quarterly dividend of three cents a share payable Dec. 15, 1939, to shareholders of record November 25. This is the first extra dividend paid this year.

* * *

Zenith Molybdenite Corp. is putting out two lateral drill holes from its second level to tap what is considered to be No. 4 vein located under a swamp, the company states. At the same time a crew is starting to open up the indicated ore body in the south drift, second level, to prove the downward extension of the main zone.

* * *

Wright-Hargreaves Mines is stated to have taken an option on a group of claims in Maisonville twp., Kirkland Lake area. A programme of surface exploration is said to be planned.

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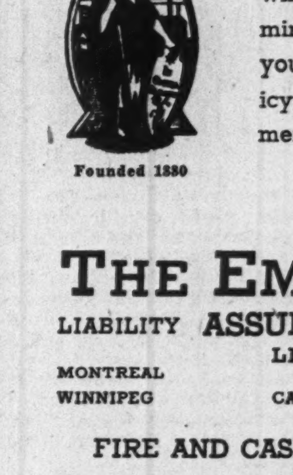

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Stability Now Base Metals Keynote

British Deal Likely to Affect Profits to Limited Extent, Review Indicates

By GORDON M. GRANT
Staff Writer, The Financial Post

Canadian base metal mining in wartime is neither prince nor pauper.

Fixed metal prices have removed the speculator's expectation of big profits but investors can now sit back realizing that earnings should be maintained while the struggle lasts, and that base metal shares provide an excellent hedge against a possible post-war inflation.

Profits will be kept fairly stable by the provision in contracts with the British Government which calls for review of prices should costs rise. Reviews of copper prices, for instance, are stated to be scheduled every time costs go up 5%. Should the world price of copper rise substantially the situation will be reopened, it is suggested.

Base metal stocks should obviously be a good hedge against a possible post-war inflation. Fixed base metal prices will last only as long as the war, and Canadian output can then be sold in the world market. If past experience is any criterion, our base metal mines can certainly compete profitably with producers in other countries. If inflation sends the Canadian dollar down in terms of other currencies, profits of Canadian mines should go up despite increased costs. In both the great German currency inflation after the war and the French inflation of 1926, it was noted depreciation of the currencies concerned in terms of other stable currencies was greater than the rise in prices inside the countries themselves. This favored the export trade.

Higher Prices After War?

From the present situation it appears probable that base metal prices outside the British Empire at the conclusion of the war will be much higher than those prevailing within. Perhaps in the immediate post-war period, Canadian base metal mines will realize some of the profits now being foregone. A review of present metal prices inside and outside the British Empire strengthens the belief in higher base metal prices after the war.

The price of zinc in the United States has soared to 8 cents a pound, Canadian funds, more than double the price of approximately 3.5 cents being received by Consolidated Mining and Smelting Co. under its contract with the British Government. Copper is around 14 cents in the world market (freight assumed by the seller), compared with the British contract price of around 10.18 cents a pound, at Canadian ports, received by practically all Canadian producers under their contracts with the British Government. Lead sells at 6 cents a pound in New York against a price of about 3 cents received by Consolidated Mining and Smelting Co. under its contract.

Practically all the divergence between Empire and world metal prices has developed since outbreak of war. A powerful upturn in business in the United States has played a large part in the rapid change of world metal prices. By the time peace comes, the divergence between world and Empire metal prices may be still greater.

The price of the base metal nickel has remained fixed at 35 cents a pound, United States funds, in both Canada and the United States, being stabilized by International Nickel. This is one important case where there is not likely to be divergence of price inside and outside the Empire.

No Delivery Troubles

Sale of copper output to the British Government has saved Canadian producers two big troubles, delivery of production to the old country, and risk of loss in transit. Copper need only be shipped to Canadian ports from where it is taken over by the British authorities. Freight charges to the Old Country have risen tremendously so that this is a big aid to the copper producers. Consolidated Mining and Smelting has special provisions in its contract with the British Government covering shipping charges.

A Few Not in Scheme

Several Canadian base metal producers are not receiving the fixed metal prices of the British Government. Granby Consolidated, west coast copper producer, has a contract for sale of its output in Japan, and its production is still being delivered there. Payment is based on the export market for copper in New York. Contract is terminable on six months notice and expiry date is in July, 1940.

Ownership of Granby is held largely in the United States.

Britannia Mining and Smelting Co., subsidiary of Howe Sound, is another west coast copper producer which does not sell its output to the British Government. As in the case of Granby most of the investment interest is in the United States.

International Nickel

The pick-up in business in the United States, already mentioned, has been aiding International Nickel. Another favorable factor in the current earnings position is sale of nickel output at a price fixed in American funds. Since most of the company's costs are contracted in Canadian funds and these costs have not risen greatly since outbreak of war, sale of output at a fixed American price means an improved margin of profit with the premium on American funds.

International Nickel has a large copper output which is largely sold to the British Government under contract with the balance reserved for use in the Canadian market at about the same price. If the demand for nickel increases, it is quite possible copper output will increase along with the output of nickel, resulting in greater revenue from copper.

Capacity of International Nickel plants has been established to cope with the highest demand likely to be experienced from purchasers of nickel throughout the world, so normally International Nickel has excess plant capacity to take care of expanded demand. This gives earnings of International Nickel Co. a chance to expand more rapidly than those of most other base metal producing companies which work close to peak capacity and consequently cannot expand output readily.

Earnings of International Nickel in the first nine months of the present year were $1.72 in United States funds. Based on the present exchange rate, this is $1.89 in Canadian funds or at the rate of $2.52 a year. The last quarter of 1939 will be the first in which nickel sales will have benefitted appreciably from decline in the Canadian dollar in terms of the U. S. dollar. This benefit may run between 5 and 10 cents per share each quarter if not offset by higher operating costs. Even the higher costs may be mitigated by a higher production rate which will spread fixed charges over a greater number of units of product.

Noranda Mines

Gold now takes Noranda out of the strictly base metal mining category. With gold output of $10.5 millions in 1938, the company continued one of the largest gold producers on the North American continent. Then the company also holds controlling interests in such gold producers as Hallnor Mines, Pamour Porcupine Mines and the La India mine in Nicaragua. Benefit is being received by the company and each of these subsidiaries from the increased price of gold. The higher gold price too will be an important factor in successful operation at Aunor Mines, a Noranda subsidiary now building a 300-ton mill.

Close to half of Noranda's income still comes from copper and fixing copper at a price about a fifth of a cent above the average New York export price for 1938 is important to the company. The contract with the British Government calls for sale of 69.7 million lb. to the British Government compared with output of 76.3 million lb. in 1938. Balance is earmarked for the Canadian copper market.

Noranda's earnings for the first nine months of 1939 amounted to $3.60 a share compared with $3.05 in the same period of last year, the increase being chiefly due to about $1 million of additional revenue from subsidiaries dividends. Gold premium should keep earnings in the last quarter of 1939 at a high level.

Waite Amulet Mines, a Noranda subsidiary has commenced operation of its big new mill and this company may be an important new contributor to income over the next few years.

Hudson Bay Mining

While fixed British Government copper and zinc prices provide a limiting factor on profits of Hudson Bay Mining and Smelting Co., an increase in milling capacity from 4,500 to 5,000 tons daily as from Sept. 25, 1939, should mean larger earnings. Ore developments have been very favorable with ore reserves 15 years' requirements even at the higher milling rate. Average grade is approximately the same as that of ore treated in 1938.

Estimated net earnings for the first nine months of this year were $1.33 a share against $1.61 in the full year 1938. Earnings in the last quarter of this year should be somewhat higher as the company has a considerable output of gold which is now selling at a higher price. Then too, the mill is operating at its new high rate. Full year earnings of $1.90 a share or even more seem to be indicated at the time of writing.

Consolidated Smelters

Consolidated Mining and Smelting Co. does not release interim earnings statements and consequently it is difficult to appraise earnings for the present year. The first part of the year saw a further decline in the prices of lead and zinc, the company's two chief products, and profits realized were small. Then prices turned up and by the outbreak of war lead and zinc prices were well above their lows. A contract completed for sale of lead and zinc to the British Government is reported to provide for a price of approximately 3.5 cents a pound for zinc and about 3 cents for lead. In 1938, when the company earned $1.90 a share, zinc averaged 3.073 cents a pound and lead 3.344 cents, both prices being quoted in Canadian funds based on the London market where the output was sold. Smelters in the past has secured a premium of close to one half cent a pound on its zinc due to its exceptional purity.

Output in the last quarter of 1939 is at a much higher rate than in the first part of the year when output of lead was being restricted in conjunction with other producers in an attempt to bolster the price structure. Revenue may be somewhat affected, however, due to contracts based on sterling which have not yet been completed. Fertilizer sales are reported as particularly good since European supplies have been cut off.

Full year earnings should not vary greatly from those of 1938.

Waite Amulet Mines

Operations at Waite Amulet Mines will be in full swing next spring when ore from the rich new "A" ore body will be available. The new 1,000-ton mill started operation in October at 640 tons daily and is now being kept around that rate. Ore is coming from the Waite section of the property until the other ore is available. Copper production, when the full milling rate is reached, should be about 40 million pounds annually.

In addition to copper, the "A" ore body has a zinc content of 4.65%. Shipment of zinc concentrates to the United States was started recently and might prove a big source of revenue if the United States market can continue to be tapped. The tariff of 1.2 cents a pound on zinc entering the States is not a sufficient barrier to prevent shipments across the border. Besides copper and zinc values, Waite Amulet should have an output of approximately $800,000 in precious metals, mostly gold, when the 1,000-ton mill is treating a capacity quantity of "A" body ore.

Any estimate of profits for Waite Amulet over the next year or two would be subject to a great many variable factors. It is not known what revenue will be realized from sale of zinc concentrates. The high zinc price in the United States may prove short lived. At the moment, however, declining zinc stocks in the United States seem to indicate still higher prices although American production is being geared at a higher rate.

The fixed price to be received by Waite for copper output under its contract with the British Government and output of precious metals realized from the "A" ore body should allow the company to realize substantial profits. It must be realized these profits will not commence on a large scale until next spring.

Sherritt Gordon Mines

Practically Sherritt Gordon's entire revenue comes from sale of copper and little fluctuation in the company's earning position is expected with the fixed price received from the British Government. The copper price, slightly above the average 1938 price, may allow the company a small profit this year. Operating profits for the first nine months of 1939 totalled $578,909 against $490,788 in the same period of last year. Operating profit for the last quarter of this year should be on the same basis as the first nine months. Year-end adjustments, however, may prevent company from having a net profit. With the high price of zinc in the States, attention may be paid to recovering zinc values in the east ore body.

While Sherritt Gordon has not been able to establish earning power sufficient for the payment of dividends as yet, it has been possible over the last two years to build up working capital from $408,234 at the end of 1937 to a figure of perhaps $1.6 million at the present time. The strong working capital position allows the new exploration policy to be followed with assurance that any new metal finds can be developed. The company has been active in the Manitoba exploration field and it seems reasonable that this work, under capable direction, will eventually result in location of some new base metal or gold property.

Aldermac Copper Corp.

Milling operations at Aldermac Copper Corp. are continuing at the basis of 1,000 tons daily and efficiency is understood to be allowing the company to realize considerable operating profits. It does not appear likely, however, anything is left for shareholders after provision for write-offs. Shortage of working capital has handicapped the company in carrying out plans for installation of a commercial sulphur recovery plant.

Any pick-up in the stock market might see the taking up of over 600,000 shares underwritten at 60 cents a share. This would allow installation of at least the initial unit of the sulphur recovery plant. Officials believe this would allow realization of substantial profits. At present pyrites are sold in the United States and the company is benefitting from premium on United States funds. For a time the company was realizing as much as 14 cents a pound from sale of copper in the States, but most of output is now being sold at about 10.18 cents to the British Government with the balance for disposal in Canada.

Development of a better average grade of copper ore at depth during 1939 seems to offer the best current hope of Normetal Mining Corp. realizing profitable operation. In 1938 a net loss of $234,328 was experienced and while some additional revenue has been obtained from sale of zinc concentrates in 1939 it is not anticipated net profits can yet be shown

Evidence of better copper values being encountered at depth is given by results obtained on the bottom level at 1,385-ft. depth. Drifting and drilling has given an average copper content of 4.1% compared with an average copper content of all ore reserves of probably under 2.5%. A diamond drill hole put down from the 1,385-ft. level station cut 8 ft. of ore averaging 6.8% copper and 18.4% zinc at a point 175 ft. below the level.

Investigations are now being made as to the possibility of shipping zinc concentrates to the United States to take advantage of the high prices prevailing. Arrangements had been made for shipment to England but lack of shipping has held up disposal there. Waite Amulet has been selling zinc concentrates in the United States and there appears a good chance Normetal will be able to do so also.

Mid-west Mine Output Climbs

Manitoba Chamber of Mines Head Reports Active Year

Output of the Manitoba and mid-west mining area this year will be around $45 millions. Some 35 mines are in production and two more in the area are scheduled to begin operations before the end of the year. In 1929 the area had one metal mine, and total yearly output was a meagre $400,000.

So states J. D. McDonald, president of the Manitoba Chamber of Mines, in his annual report. This active body has been pushing hard for the advance of mining in the mid-west zone.

On the outbreak of war its services were immediately requisitioned by the Dominion Government for collecting information on 25 strategic minerals necessary for emergency, informing mining companies on the excess profits tax and advising them regarding enemy aliens.

Vigorous action was taken by the Chamber of Mines on a Dominion Government proposal to establish an air-mail route between Prince Albert and Flin Flon. "We protested against the licensing of such a route on the grounds that it might be prejudicial to the later licensing of the more logical and better supporting Winnipeg-The Pas-Flin Flon air service." No settlement has yet been reached.

In January, 1939, it took the initiative in trying to devise measures that would encourage prospecting in Manitoba. Several recommendations were forwarded to the Manitoba Government, some of which were embodied in changes made in the Mines Act of Manitoba at the last session of the legislature. The committee also discussed certain phases in the administration of securities acts.

The bulletin adds:

"For 30 months now the chamber has co-operated with the Employment Service of Canada in furnishing mining companies with a record of experienced miners available in Winnipeg for employment. This takes the form of a bulletin sent regularly in the middle of the month to a list of 100 mining companies. While the results have not been substantial because of a surplus of labor, it is likely that more value will be discovered in this service as the war makes increasing demands on available man power."

Mining Enquiries

Ymir Yankee Girl

How has Ymir Yankee Girl been doing?

Ymir Yankee Girl Gold Mines has been experiencing higher profits in the last year with earnings for the year ended August 31, 1939, amounting to $42,844 compared with slightly over $7,000 the previous fiscal year. Although exploration of the company's property is giving some encouragement, known ore sources are limited and the company is investigating other properties which show promise of developing into mines. The company's financial position is in good shape for this work with working capital amounting to approximately $170,000 as at August 31, 1939, compared with $100,000 the year previous. In the 1939 fiscal year, the company examined a property in the Cariboo district but property payments and costs of bringing the mine into production appeared too high so the project was dropped. At the present time, however, several new properties are being examined.

Lake Shore

Is Lake Shore Mines earning its reduced dividend rate of $3 a share?

If Lake Shore earnings are not covering the new $3 per annum dividend rate—reduced from a $4 dividend rate with a 75-cent quarterly payment declared last week—they are very nearly doing so.

In the year ended June 30, 1939, earnings were $3.54 a share. Since that time two big new factors have entered the earnings situation, one favorable and one unfavorable. The unfavorable factor is reduction in the milling rate from 2,500 to 2,000 tons daily due to rock bursts. Ordinarily a reduction in the milling rate by a fifth would mean a substantial drop in earnings, but with the current Canadian gold price up 10% from a year ago due to the present premium on United States funds, earnings may not drop as much as a fifth. A change in the average grade of ore treated or a rise in costs due to rock bursts could change earnings estimates radically.

Recurring rock bursts are now expected with deep mining at Lake Shore and the management is engaged in determining best methods for coping with them. Success attending these efforts will no doubt decide whether the milling rate can again be boosted to 2,500 tons daily. Ore reserves are apparently still substantial. While no estimate of reserves is released by the management, The Financial Post has heard an ore potential of 20 to 25 years mentioned for Lake Shore by people familiar with Kirkland Lake conditions. Lowering the mill rate, of course, should have the effect of lengthening the life of the mine. Ore opened up at depth has been somewhat lower in grade than that disclosed on higher horizons. Average grade of ore treated has been lowered in recent years, however, so this factor has been largely discounted, it is believed.

Silbak Premier

What is the position of Silbak Premier Mines?

While Silbak Premier Mines earned only $13,777 in 1938, dividends totalling $300,000 or 12 cents a share were paid during the year out of depletion reserve. As $620,025 was charged for depletion reserve in 1938, this account was increased $320,025 even after payment of dividends.

Dividends in 1939 have been paid at the rate of 16 cents per annum and with production roughly comparable to 1938, operating profits have likely been much more than adequate for distributions made. If no charge had been made for depletion in 1938, earnings would have amounted to approximately 25 cents per share.

Ore reserves at the end of 1938 were equal to about one and one quarter years' milling requirements with tonnage and grade both slightly lower than that reported at the end of 1937. While results for development in 1939 are not available, work has likely replaced all or nearly all the tonnage of ore milled. The company would not likely continue payment of dividends at the same rate if this had not been the case.

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Parliament Buildings, Victoria, B.C.
HON. W. J. ASSELSTINE, *Minister.*

"What do we want with eggs and ham?"

Soldiers sang it in the last war: "What do we want with eggs and ham when we've got plum and apple jam? Oh, oh, oh it's a lovely war!" Nobody thought it was a "lovely" war— least of all the boys who fought it. But they were not going to let it get them down. So they cracked jokes and sang such light-hearted songs as "Oh, oh, oh it's a lovely war".

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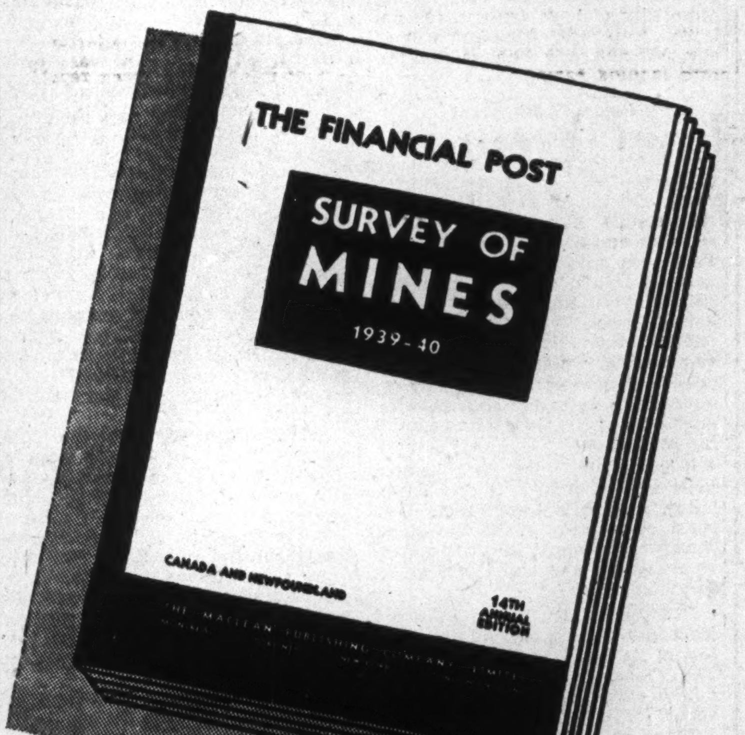

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War Slows Pace of Bata Project

But Shoe Production Enterprise Develops Steadily Despite Curbs

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

War has forced curtailment, for the time being, at least, of the original plans for establishment of a Canadian production centre of Bata Shoe Co., world-wide Czech enterprise.

Development of a major industrial project is still proceeding, and on an impressive scale, at the village of Frankford, near Trenton, Ont. But pace of the development has been unavoidably retarded by stringencies of war. And some of the more ambitious phases of pre-war plans have had to be shelved, at least for duration of the war, chiefly because of impossibility of getting key men, equipment and other resources from the parent enterprise in former Czecho-Slovakia.

Some aspects of the earlier scheme may materialize after the war or perhaps in a year or two even with the war continuing. But since it is impossible to predict the conditions that may develop as the war proceeds and particularly after the war, Bata officials in Canada are not planning anything they are not reasonably certain of being able to accomplish within the immediate future.

Research Plan Shelved

Most drastic restriction imposed by war affects the tentative plan to develop at Frankford a major unit of the Bata research and machinery development system. At one time it was reported likely that the research division of the Canadian enterprise would ultimately absorb a majority of all employees at the plant. Advent of war and sealing of the former Czech frontiers reduced this hope, both in actuality and in prospect, to negligible proportions. Consideration of this phase of Bata operations has been deferred until after the war.

For the time being, therefore, development efforts are being concentrated on building up production operations to the desired volume and pace, and on construction of the new factory and employee dwellings near Frankford. Even in this respect, however, original plans and tentative schedules have had to be revised. Not only did the war come before any key men or equipment could be brought over for the research unit, but also sharply reduced the number of engineers, supervisors, instructors, and other key workers available to get production under way in Canada.

It had been planned to bring in up to 250 key personnel to establish operations at Frankford and train Canadian workers in the Bata system. The present roster at the Frankford plant, temporarily housed in a former paper mill in the village, includes only 84 key members of the staff brought from abroad, including Czech executives.

Need More Machinery

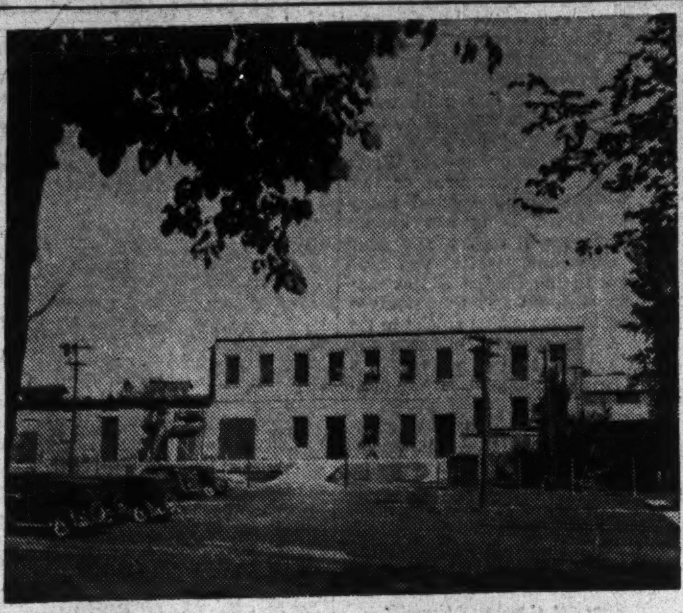
As far as machinery and other equipment are concerned, the bulk of it had been brought to Canada from Czecho-Slovakia and elsewhere and installed before the war broke out. It had been hoped, however, to bring additional machinery from Czecho-Slovakia to round out equipment required by earlier plans. These further units may now be brought from Bata centres in France or Holland, but even this presents shipping and other difficulties.

The enforced restriction of the import of men and machines has inevitably curtailed the rapidity with which Canadian workers can be trained and increased in number, and changed plans for expanding the working force and output toward the ultimate objective. Nevertheless, it is still planned to build up eventually a total working force of approximately 2,000, as was originally planned, though this objective may not be reached as soon as first anticipated.

Achievements To Date

Despite the war and other problems confronting it, the company has an impressive record of achievement in the short time since it started operations. Machinery was installed and preliminary production was begun within two months after entry of key workers was sanctioned at Ottawa. Now, less than four months after starting from scratch, production has been expanded and put on a regular basis, and the payroll totals 470 workers (including instructors). Most were drawn from the Frankford-Trenton district and employed on an apprentice basis.

At the moment, production is confined to certain lines of women's sport shoes and to a special type of women's work shoe designed for nurses, waitresses, and others whose occupation forces them to be on their feet a great deal. These are being made for both domestic sales and export. Other lines will be added from time to time, and ultimately a wide range of women's, men's and boys' shoes will be made.



Operations of Bata Shoe Co. of Canada, currently employing a total of 470 employees, are temporarily being carried on in a one-time paper mill (above) at Frankford, near Trenton, Ont.

By next summer, according to present plans, the number of employees will be double the current payroll—or about 50% of the ultimate objective.

New Factory Building

In addition to inaugurating regular production and advancing well toward standard efficiency the training of the apprentice Canadian workers, the company has its initial construction programme well under way. In fact, the building of the new factory, on high ground several miles closer to Trenton than Frankford, is so far advanced that it is planned to move into the $180,000 structure by January, possibly by Christmas.

Five stories high and nearly 300 ft. long, affording 84,000 sq. ft. of floor space, the new plant stands out strikingly from a rural landscape in which the only other buildings are the partly finished employee dwellings being erected near by. A total of 65 houses are being built with National Housing Act financing, of which 40 are completed or nearly so.

The factory structure is being built according to the design for the standard plant unit found at many of the Bata centres in other countries. Metal forms made by Bata and used in factory construction elsewhere were employed for pouring concrete for the plant, which is of reinforced concrete construction throughout. Simplicity of both construction and layout, to permit of maximum operating efficiency, is the dominant feature of the design.

Control 1,800 Acres

Allowing ample scope for whatever plans the company may decide to proceed with during the next few years, and for future expansion, the company has bought a total of 1,800 acres at and around the plant site. This area may ultimately be developed into a self-contained Bata industrial community, complete with homes, stores, theatre, churches, schools, hospital, recreational centre, and auxiliary plant enterprises. At present, however, the company has no definite plans for such development beyond the modest home building programme.

It is possible, in fact, that the company will be content to rely on existing private enterprises to meet such community needs as stores, theatres, household services, as well as materials and supplies required for the factory.

Purpose of the company in its policy of developing community facilities of its own or under its control, The Financial Post is informed, is double barreled. It assures adequate room for expansion and auxiliary enterprises, and prevents speculative jacking up of prices of realty around the central plant unit. At the same time, the company avowedly aims to protect employees from exploitation, whether it be in the form of high prices or rents for their dwellings, or diligent efforts to tap their earnings on a costly, wasteful and uneconomic basis.

This has the further advantage, of course, of enabling workers to get the most out of their earnings and satisfy their normal wants and needs, and less likely to be constantly under pressure to seek higher wages to meet predatory drains on their incomes. At the same time, the company is quite prepared to rely on private enterprise if it can depend on its employee getting adequate service at reasonable rates.

Paralleling the Bata efforts to create "protective conditions" for employees in each plant community, has been the policy of educating every worker and department to stand on his, her or its own feet. Each worker and department (or processing group) is encouraged to operate as an autonomous unit, to appreciate his function and status in the production operation as a whole, and to make the most of his labor through acquired skill.

"Every Bata factory is operated on a basis similar to that of a democratic state," The Financial Post representative was told by Anthony Cekota, company director, during a recent visit to the Frankford plant. "Operations are divided and subdivided to carry out specified functions, just as a state is divided up into provinces and cities. Each department or sub-department has its head man, the equivalent of mayors and provincial administrators, responsible for the efficient and profitable functioning of his particular unit."

Independence Encouraged

Mr. Cekota explained that while foremen and supervisors are responsible for estimating and assigning work to individual employees, each man or woman worker is encouraged to know his particular job thoroughly, to accept responsibility for efficient performance, and in effect to acquire the status of an independent small businessman. To facilitate this, every worker is given a work sheet each day, on which is marked the quantity of working material supplied, the unit and aggregate cost, and an estimate of the number of pieces or units he is expected to produce from the material provided.

At the end of each day, the work sheet is filled out by the worker, showing the number of pieces actually produced, the "profit" if he has produced more than the estimate, and the "loss" if he has fallen below the standard. If he produced extra pieces above the estimate, he shares in the profit. But he does not share in the loss, this being charged off to cost of training or, within reason with fully trained workers, to normal wastage.

The "losses" shown give the company a close check, in dollars, on the cost of training apprentice workers. Experience has shown that this cost runs from $200 to $250 per worker. The workers being trained at Frankford are well advanced toward standard efficiency, and average of earnings in the plant is now above $18 a week.

Each department "buys" its materials from a preceding department, and passes it on at a "price" reflecting the added value given by the processing in the department involved.

This system gives every worker a daily and cumulative picture, in the concrete form of material quantities and dollars, of how efficiently and profitably he is operating, from both his own viewpoint and the company's. It also produces a constant running check, valid on a daily, weekly, monthly or semi-annual basis, of production progress and how well it is measuring up to advance estimates.

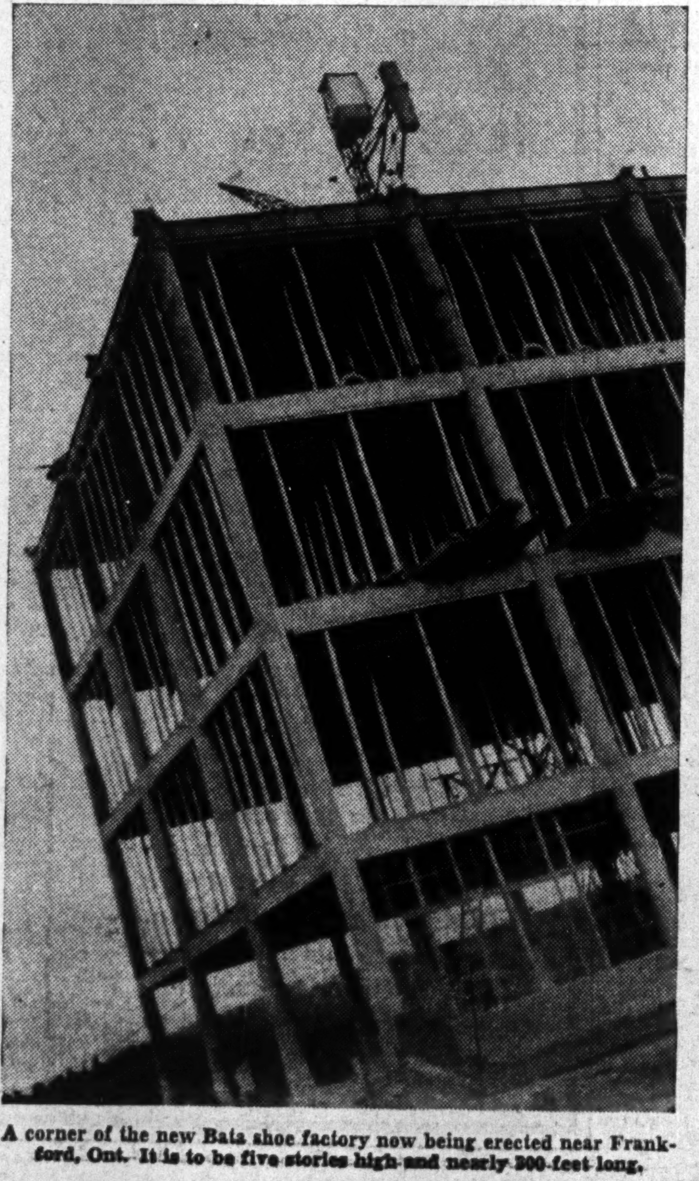
These estimates of production volume and cost are integrated closely with both estimates and actual progress in regard to market requirements, expected sales, prices, material costs and so on. In addition to the close adjustment of production volume and cost to careful estimates of market demand as to shoe types, prices and volume, the company has always gone further into the realm of potential demand capable of development. As far as possible, production is based primarily on close study of consumer buying power and both developed and potential needs, rather than on a hopeful estimate of what the company would like to produce and sell.

In India, for instance, Bata developed a market where none appeared to exist. Consumer research revealed large masses of Indians who were not shoe buyers at all, and furthermore, that prevalence of sandworm affliction was largely due to lack of foot protection. Subsequent production and sales research developed a market for shoes which, while of simple canvas and rubber construction, afforded adequate protection and sold for the equivalent of 35-40 cents, sometimes less.

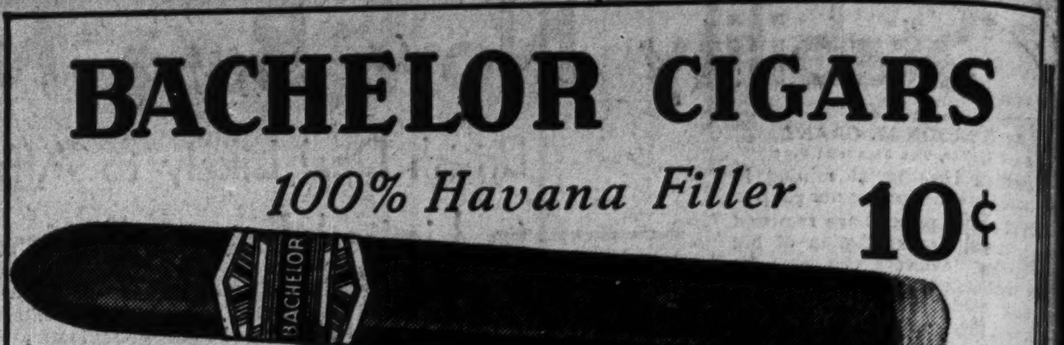
It is such successful creation of new markets that has contributed much to spread of Bata enterprises throughout the world and largely explains the importance attached to the Bata research and development division. Broadly speaking, the research is conducted in four spheres:

1. Mechanical, developing new production methods and machines to perform them.
2. Chemical, experimenting with various ways of treating shoe materials and handling them in production.
3. Medical, studying pedal health and its relation to general health, methods of treating foot ailments, and development of shoe lasts and patterns seeking to strike a compromise between foot health and changing shoe fashions.
4. The market, consumer and sales research referred to above.

Eventually, it is hoped, work in connection with all four phases will be developed at Frankford to serve both the Canadian and American plants. When this can be started, and how far it can be developed, only time and the trend of post-war conditions can tell.



A corner of the new Bata shoe factory now being erected near Frankford, Ont. It is to be five stories high and nearly 300-feet long.



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Utilities Fight Raise In Vancouver Tax

From Our Own Correspondent

VANCOUVER. — Leading Pacific coast utilities, including B. C. Power Corp. and B. C. Telephone Co., have been protesting against proposed amendments to the city of Vancouver's charter under which the city would be authorized to increase the tax on poles, lines and mains from 1½% to 2½% of the companies' gross revenue.

W. G. Murrin, president, told the private bills committee of the provincial legislature that such a tax would have the effect of increasing the B. C. Electric's tax bill by $86,000 a year. He insisted that B. C. Power, holding company for B. C. Electric and associated enterprises, was the highest taxed public utility in Canada.

Major James Hamilton, vice-president and general manager of B. C. Telephone Co., supported Mr. Murrin. It is generally expected that a compromise of about 2% will be negotiated.

Sterling General Manager of George S. May Co.

Douglas T. Sterling has been named general manager of the George S. May Co., of Chicago, management engineers, according to an announcement by George S. May, president of the company. Mr. Sterling will also serve as general manager of George S. May Ltd. of Canada.

For the past year, the new general manager, who joined the company as a staff engineer in Chicago in 1930, has served as manager of the New York office.

Strikes Affect More Men In Canada During October

While number of strikes in Canada during October showed a slight decline in comparison with Oct., 1938, the total of workers involved and the loss of working time were more than doubled. In comparison with September of this year, the number of strikers declined but time loss was greater in October.

Strikes in Canada

	—October—		Sept.
	1939	1938	1939
No. of strikes	25	32	17
No. of strikers	6,630	3,233	8,804
*Time loss	35,201	17,295	23,633

*Man-working days.

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THE OUTSTANDING TRUCKS FOR THE MONEY
FORD V-8 FOR 1940

MANY NEW IMPROVEMENTS FOR 1940

New, advanced styling for all units • New longitudinal front springs on all Trucks • Sturdier front axle (Regulars) • Increased engine and chassis accessibility • Easier servicing for clutch, transmission, rear axle • Improved cab construction (Regulars) • New, softer, more comfortable seats in Regular cabs • New Sealed-Beam Headlamps • Bigger batteries, larger generators with automatic voltage regulation • Battery condition indicator • Shiftoguide speedometer on Regulars and C.O.E. Trucks • Gearshift lever mounted on steering column of Sedan Delivery • De Luxe passenger car front end design on Sedan Delivery • New silent shift transmission on commercial cars • Fan on crankshaft (Conventional type Trucks and Commercial Cars) • New needle bearing universal joints on Trucks • New shackles, self lubricating on front • New cowl mounted windshield wipers (Conventional types) • New 6.33 and 8.81 to 1 two-speed axle optional in 3-Ton Trucks.

Ford Trucks for 1940 bring new styling, new models, new improvements to established values in construction, performance and economy. They are "the outstanding trucks for the money."

The big new 176" wheelbase chassis for 2 and 3-Ton Regular Trucks accommodate bigger bodies for bulkier loads; the new 122" ¾-Tonners have five smart body and chassis types. There is a new 158" wheelbase 3-Ton Cab-Over-Engine Truck.

The 1940 Ford Truck line is the broadest in Ford history, ranging from flashing ½-Ton to rugged 3-Ton; 64 body and chassis types; Regular and Cab-Over-Engine models; 7 wheelbase lengths, from compact 101" to the long 194" school bus chassis; wide choice of tires, colours and other options; all trucks powered with the famous Ford V-8 engines. There's a Ford Truck to do every job *better* in more than 95 per cent. of the trucking field.

Read the list of improvements for 1940 which are added to the host of time-tested, time-proved Ford features.

See the new Ford Trucks at your dealer's. Compare with any other truck. Arrange for an On-The-Job test and know the difference before you spend another truck dollar.

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